DOCUMENT RESUME

ED 368 028 CS 508 541

AUTHOR	Nieuwmeijer, Louise J., Ed.; Hall, Elsje J., Ed.
TITLE	Organizational Communication: A Top Priority.
INSTITUTION	Human Sciences Research Council, Pretoria (South Africa).
REPORT NO	ISBN-0-7969-1305-6
PUB DATE	92
NOTE	196p.
PUB TYPE	Collected Works - General (020) -- Books (010)
EDRS PRICE	MF01/PC08 Plus Postage.
DESCRIPTORS	Employer Employee Relationship; Foreign Countries; Higher Education; *Organizational Climate; *Organizational Communication
IDENTIFIERS	Communication Strategies; *Organizational Culture; *South Africa

ABSTRACT

Presenting a collection of seminar papers aimed at improving mutual understanding in the workplace, this book brings together the views of prominent South Africans on effective communication in organizations. The papers collected in the book will be of interest to communication students, practitioners, personnel managers and anyone else concerned with an organization's most important asset--its people. After an opening address by Ricky Mauer, papers in the book are: (1) "Organizational Communication: A Top Priority" (Brand Pretorius); (2) "Communication with a Changing Labour Force" (Sunette van der Walt); (3) "How Effective Is Your External Communication towards the Community?" (Peter Vundla); (4) "Communicating in a Changing Organization Culture" (Jopie van Rooyen); (5) "Participative Communication Diagnosis and Strategy" (Emily Fourie); (6) "Organizational Communication through Effective Environmental Management" (Peter Franks); (7) "The Means and Values of Timeous Information in a Organization's Communication" (Erik du Plessis and Jan Havenga); and (8) "From Communication Information to Communication Strategy" (Kobus Conradie). (RS)

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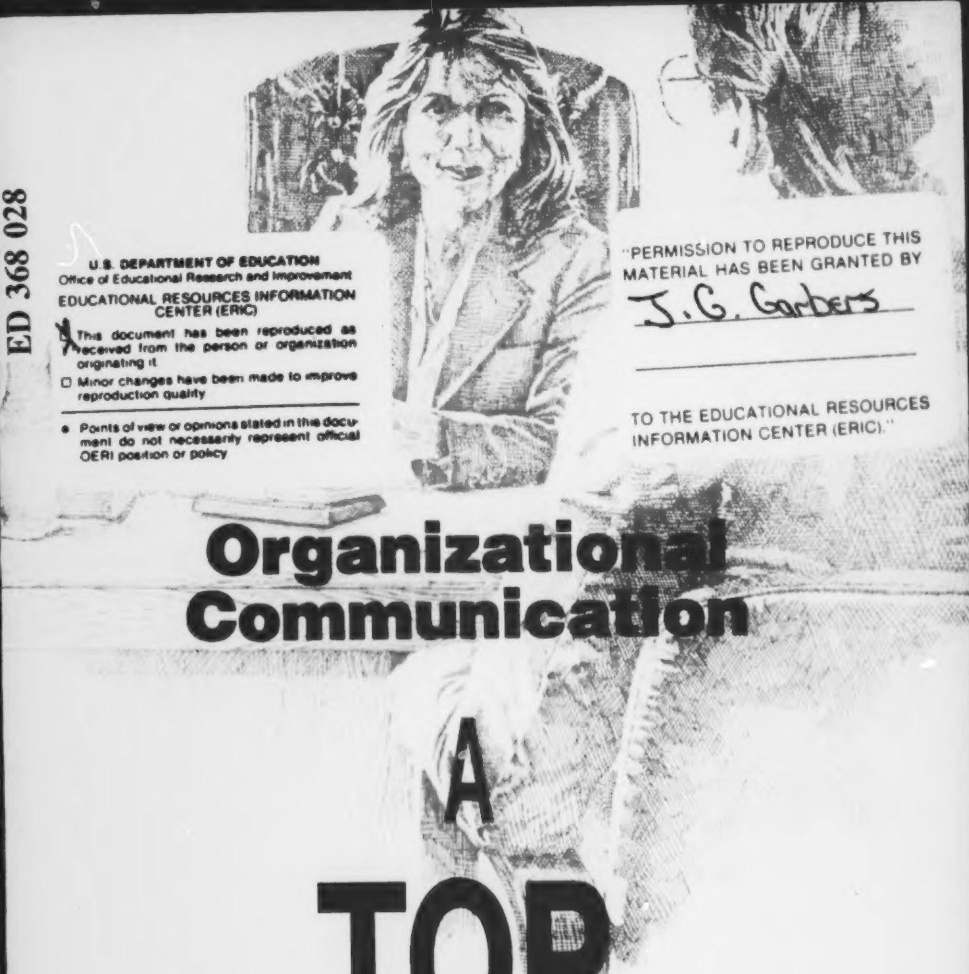

Organizational Communication

A TOP PRIORITY

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Organizational communication:

a top priority

Organizational communication:

a top priority

Edited by

Louise J. Nieuwmeijer

Elsje J. Hall

HSRC Publishers

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ISBN 0-7969-1305-6

Published by
HSRC Publishers
134 Pretorius Street
0001 Pretoria
South Africa

Cover design: Ronéll Lareman

Printed and bound by Sigma Press (Pty) Ltd, Pretoria

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PREFACE

> **There is no doubt that organizational communication is a critical success factor in business today, but communication without the support of actions, will have no credibility.**
>
> *(Brand Pretorius, Toyota Marketing)*

ORGANIZATIONAL COMMUNICATION: A TOP PRIORITY is a collection of seminar papers aimed at improving mutual understanding in the workplace. Organizations spend large sums on improving their external communication, yet often neglect internal communication among their staff members. Organizational change occurs so rapidly that without effective communication people will not cope with it successfully. This leads to mistrust, lack of motivation, tension and poor work performance, consequences that are disastrous to any organization.

These papers were read at a seminar with the same title, held in March 1992 at Honeydew near Johannesburg. The seminar was organized by the Division: Organization in Context of the Group: Human Resources of the Human Sciences Research Council (HSRC). The book includes contributions from various representatives of management and workers from the private and public sectors. Organizational communication against a changing South African background is discussed by the following:

Mr Brand Pretorius, MD of Toyota Marketing emphasizes the importance of organizational communication in South African business in his keynote address.

Dr Sunette van der Walt of the HSRC discusses **the changing South African labour force and its implications for the organizational environment.**

Mr Peter Vundla, director of Herd Buoys Advertising, speaks out on **the effectiveness of organization's external communication towards the community.**

Dr Jopie van Rooyen of the HSRC, well known for her work on organizational culture, explains **the role of communication in a changing organizational culture.**

Ms Emily Fourie, representative of the Professional Transport Workers Union, demonstrates in practice the issues involved in her work as spokesperson for union members, in her paper on **participative communication diagnoses and strategy.**

Prof. Peter Franks, head of the Department of Industrial Psychology at the University of the North, explains **organizational communication through effective environmental management.**

Mr Erik du Plessis of Impact Information and Mr Jan Havenga of TRANSNET present a case study done at TRANSNET to illustrate **the means and value of timeous information on an organization's communication.**

Mr Kobus Conradie of Amalgamated Banks of South Africa (ABSA), discusses **the road from communication information to communication strategy.**

The questions asked by delegates and answered by the contributors are included at the end of each paper. This book provides different angles on professional communicators' varying experiences of the importance of effective organizational communication.

LJN/EJH
July 1992

1

OPENING ADDRESS

RICKY MAUER

GENERAL MANAGER, HUMAN RESOURCES

This seminar concerns organizational communication. Our aim is to try to find ways of improving this complex process of mutual understanding in the workplace. Like oxygen in a living organism, this process can make the difference between life and death in any organization today.

The ultimate aim of communication is to share meaning, an ideal not easy to accomplish because of our diversity as human beings. There is a popular belief that people have an inherent ability to communicate but the world around us proves the contrary. Every day there are misunderstandings that cause confusion, disagreement, deterioration in interpersonal relationships and poor performance. These misunderstandings may be due to a lack of information, to differences in interpretation or to being swamped by too much information. Competence in communication should be learned, in much the same way as learning to talk - by observing others, by explicit instruction, by trial and error, and so on. In other words, the more you know about the communication process, its possibilities as well as its limitations, the more options you will have for your day-to-day communications.

The problem of inadequate mutual understanding has intensified in recent years because of the vast changes that are taking place all over the world on the political and social fronts amid a threatening economic climate. As everyone knows, South Africa is also confronting major changes.

High productivity and maximum profit may be the ultimate aim of any organization, but this ideal is merely the outcome of an organizations' ability to adapt to a changing internal and external environment. It was Alvin Toffler who warned in his best-seller, *Future Shock*, that before the turn of the century millions of ordinary people like us, will collide head-on with the future. Some of these intense confrontations with change are now taking place within South African organizations.

Although the business world has already undergone irrevocable change, the lingering effects of apartheid intensify this struggle for survival. From within, employers and management are bombarded by the demands of politicized trade unions, strikes, unskilled workers, low production and excessive wages. Externally, they have to cope with the demands made by politicians (the forthcoming referendum, rumours of nationalization), consumers (escalating prices) and environmentalists. Workers are fighting their own battle against increasing pressure from management, job insecurity, poor intercultural relations with co-workers and deteriorating remuneration packages.

Workers wish to be regarded and treated as human beings, they want some say in everything that affects them. Gone are the days of managers who paternalistically watched over their workers. Today the workers expect fairness and openness in the workplace. People no longer care to be profit-making instruments in the hands of management. They want to belong, to achieve personal growth and to develop their full potential.

Although the outcome is still vague and the armoury limited, victory is essential, not only for economic progress but also for stability and peace in our country. According to the HSRC report on Inter-group Relations (1985), contact between white and black people is very limited and task-oriented and occurs mainly at work. Consequently businessmen have a vital role to play in breaking down the barriers of segregation and making their workforce aware of the need for change. South Africa is known for its rich cultural diversity. The negative side to this diversity is that misunderstanding, conflict and tension are more frequent than is the case in a homogeneous community, but if the workers (who normally represent their families) can learn to accommodate and respect their co-workers, this behavioural change will spread outside the organization to benefit society.

Change implies that things differ from what they were before. Sometimes the only feeling shared by employers and their workers is that of uncertainty due to change. Communication is the keyword in the process of gaining certainty, of moving towards the sharing of meaning. Management and staff can no longer take opposing positions around the table, strategies as well as meanings should be worked out jointly to restore trust, to stay in business and to compete in a more global market.

I hope that this seminar will stimulate the thought and action needed to tackle effective organizational communication with renewed enthusiasm and useful facts. In the words of communication consultant Anthony Manning (HRM February, 1987): "*...businessmen and their firms can only make a contribution to reform while they survive. When a company closes its doors, it ceases to be a useful citizen. The people it throws out onto the street become parasites. When it stops generating wealth, no one benefits. Therefore, social responsibility begins with staying in business.*"

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HSRC INVESTIGATION INTO INTERGROUP RELATIONS. 1985. The South African Society: Realities and Future Prospects. Pretoria: HSRC.

MANNING, A. 1987. Communicating for change: the role of business in reform. Human Resources Management, February: 4-7.

2

ORGANIZATIONAL COMMUNICATION: A TOP PRIORITY

BRAND PRETORIUS

MD, TOYOTA MARKETING

There is no doubt that organizational communication is a critical success factor in business today. As a matter of fact, effective organization is like a golden thread, running through all successful organizations. Communication is described as so many different things. I want to quote a few.

They say that communication is the glue that keeps an organization together. And if you think about that, it is very true, without communication acting as a glue to keep an organization together, what will happen? There will be no structure, no cohesion, everybody will run in different directions.

The description I prefer is where communication is compared to the electricity that powers an organization. And that, to my experience, is certainly apt here in South Africa. Communication does provide that electricity that ends up powering any organization. It is also true that leadership comes to nothing without effective organization. And certainly, when you look around you, you will notice that without exception all successful leaders are also effective communicators. Because through communication teams are built. Through communication values are established. And through communication, objectives are set. And these are the essential ingredients of effective leadership.

From a management point of view communication is a key aspect. In the old days, when describing the fundamentals of management, we used to talk only about **planning, leadership, organization, control** and then later we added **decision-making**. But in my opinion there are six fundamentals of effective management. And the most important fundamental is **communication**.

Ladies and gentlemen, the importance of communication is going to escalate, because we are moving into a new era in South Africa. The cultural composition of our work force is changing. Values are changing. Political change and social change are having a major impact on organization communication. The Americans these days talk about the **revolution of involvement**. And in South Africa this is also happening.

Let's be frank - in South Africa, over the past forty years our communication focussed almost exclusively on the white salaried employees within our organizations. When it came to hourly paid black employees, the general attitude was quite paternalistic. The communication to our hourly paid employees tends to focus on giving instructions, controlling people, policing people, disciplining people. And certainly this is a very bad part of the legacy of apartheid that we have within the business environment in South Africa today.

In general terms, black people within organizations do not see themselves as being a part of that organization because we have never communicated to them the vision of the organization, the values, the objectives, or the role that they should play. And I want to say this: that **for organizations to be successful in the New South Africa, they will have to effect very focussed and effective communication across the total spectrum.** All the messages will have to get through to all employees. The times of putting communicational emphasis only on white salaried staff are over.

So what am I going to discuss with you today? With your permission, let's look at the framework of my presentation very quickly.

In the first instance, I want to give you a very brief definition of what communication is all about. My assumption is that you are all communication experts. Secondly, I am going to talk about key aspects of organizational communication. Thirdly, about the prerequisites for effective communication in organizations. Fourthly, I will give you the practical slant by talking a little about communication at Toyota South Africa. And lastly, I will give you a summary and make some conclusions.

DEFINITION OF COMMUNICATION

So, very briefly, the definition of communication:

> "Communication is a process by which people attempt to share meanings. It means that the message must be sent, perceived, understood, and the desired response must be prevoked."

You can see that it focuses heavily on the whole concept of sharing, that there are at least two people involved in this process. So communication needs **dialogue**. There can only be communication provided there is two-way communication. Communication can only be effective provided it provokes the desired response. It has to change behaviour. And when we talk about communication, we talk about communication at **all levels, horizontally and vertically**. I want to add two additional components of this definition of communication. They say that, if you want to communicate effectively, then you should not only seek to be understood, but also seek to understand. Or to put it differently, they say effective communication only occurs when you **listen with understanding**. This is very true in organizations. Managers or leaders don't always have the necessary patience or inclination. They have one objective, and that is to indoctrinate people.

To ensure that we communicate effectively, we must understand the frame of reference of all the people we are talking to. We must know exactly what their needs, their desires, and what their perceptions are.

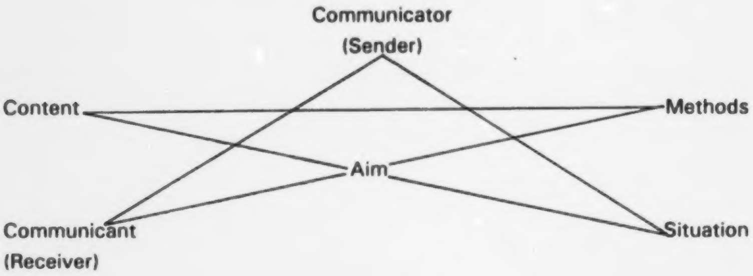
KEY ASPECTS OF COMMUNICATION

So very briefly, let's look at some key aspects of communication.

It is a very good diagram - they call it a **communication star** (see Figure 2.1).

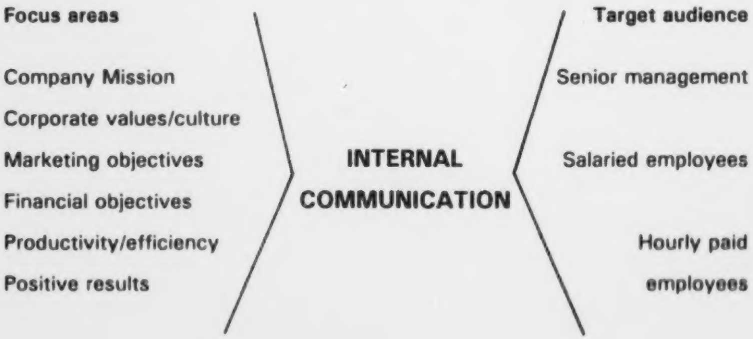
FIGURE 2.1

COMMUNICATION STAR


Communicator
(Sender)
Content
Methods
Aim
Communicant
(Receiver)
Situation

It highlights all the different elements of effective communication. Obviously, there should be a communicator, or a sender of a particular message. The communicator should use effective methods of communication. The content should be relevant and true. I will get back to this point. The situation should be conducive to the meeting of minds. Lastly, the receiver of the information should receive the message clearly and timeously.

Should one start developing a communication strategy in any organization, obviously one has to address all five of these elements. In South Africa, an essential condition for an effective communication strategy, is to first consider what I would like to call an **internal communication matrix:**


Focus areas
Company Mission
Corporate values/culture
Marketing objectives
Financial objectives
Productivity/efficiency
Positive results
INTERNAL
COMMUNICATION
Target audience
Senior management
Salaried employees
Hourly paid
employees

What do you want to communicate? What are the key aspects you would like to communicate within your organization?

I have listed the focus areas on your left hand side and the target areas on your right hand side. I actually omitted a key focal area, the most important one. And you can just make a note of it. In the first instance, **the purpose of internal communication is to communicate the vision you have for your organization.** So before you even start to communicate to employees, your mission statement is absolutely essential: "This is where we would like to take this company."

In South Africa, Toyota certainly has a very clear vision, and we use every opportunity to communicate that vision to all our people. It is also essential to bring to the attention of all your employees your mission statement, your corporate values, the culture in your organization, the values you believe in. At Toyota we say to our people that we believe in a very high standard of business. We believe in the recognition of human dignity. We believe in equal opportunities for all. We believe in consensus, harmony, consideration, and we use every opportunity we get to talk about these values. We try and cultivate a culture, a way of life, and an almost uniform value system within our organization.

On a more practical note, we talk about our marketing objectives, we talk about our financial objectives, our productivity objectives, efficiency, and we communicate our results.

Ladies and Gentlemen, you will find this interesting: Towards the end of last year we conducted a survey among our hourly paid black employees. Contrary to popular expectation, do you know what they wanted to know from us? **They wanted to know whether they were making a significant contribution to the well-being of our organization.** And these are all union members. So in my opinion, in this whole process of communicating to your various internal target audiences, it is essential to talk about productivity, to talk about results. Many white South Africans have the preconceived idea that the shop stewards of the union don't want to be productive, and that they don't want to hear about productivity. But certainly our research has indicated exactly the opposite.

Then the **segmentation of our target audiences:** senior management, salaried employees, hourly paid employees. A very simple segmentation, but of course you can do your segmentation in much greater detail. I know that the ladies here won't like it, but we have a separate enrichment forum for all our ladies at Toyota. And we have separate ways of communicating with all the ladies and also relate to their sense of belonging. We can segment according to age groups, or language groups or whatever, but in broad terms we segment our internal target audiences according to these three categories.

Very briefly, what we wish to communicate to the people in our organization:

The **high impact areas of successful internal communication are:**

- Self-image
- Morale / team spirit
- Commitment
- Productivity
- Quality of relationship

Firstly we want to improve their self-image. It is very interesting, but when you communicate, you are by implication saying to them: "You are important - we are taking trouble to inform you. You play a vital role within our organization." And we have seen it. Our communication in the past have been poor to average. Today, our communication is better and the self-image of our employees has definitely improved.

Effective communication also enhances morale and team spirit. Once again, it goes without saying, how can you create commitment and drive within an organization if your people are not well informed, if they get what used to be known as the mushroom treatment? Effective communication inspires commitment. People start identifying with the organization. Just a quick example. Every month when the sales figures are released, we do a special communication to all our people - amplifying the success of the company and how well we are positioned. And I tell you, today, it is like a religion within Toyota. You can talk to a cleaner, or you can talk to a director, and they are all very aware of this 'number one' syndrome: to be the best.

Last year, when the motor industry had a national strike, all the motor manufacturers sat down around one table with MUNSA in an international Barclays forum. So, dispute was declared and all the workers in all the assembly plants went on strike. The motor industry was out for twelve days, but our workers came back after five days. They convened a meeting with me. You know what they said to me? They said: "We don't want to lose our number one position. We know Toyota is short of stock. We don't want our dealers and our customers to suffer." Why did they do that? Because over the past two and a half years we used every opportunity to tell them about our vision and our objectives. It enhances productivity. If you don't communicate, how can you expect people to attach any value to productivity? In the old days we used to say that whatever we do, nothing changes. But today perceptions are different.

Something about the quality of relationships. **Communication builds trust.** There is not doubt what happens to a marriage without communication. It falls apart. What happens to relationships within organizations without communication? Those relationships deteriorate and fall apart.

PREREQUISITES FOR EFFECTIVE ORGANIZATIONAL COMMUNICATION

Let's talk a little about the prerequisites for effective communication.

Perhaps, ladies and gentlemen, my approach here is slightly unconventional. I am just going to share a few aspects with you, a few conditions based on our experience at Toyota South Africa. The first one, and this is a critical one, is **integrity**. Without integrity, there can be no effective communication. Because if people don't trust you, then they don't listen to you. If you have no **credibility**, what is the use of communication?

You take what is happening in South Africa now with the referendum. Every night we are being bombarded with the people sitting there on *Agenda* and they talk and they argue but if you happen to be a CP supporter and you listen to Pik Botha you don't even hear what Pik is saying. Because in your eyes, Pik has no credibility - you don't trust him. FW is a traitor. Pik actually works for Mr Mandela. Pik can make the best speeches, but the CP supporter will not even listen.

In an organization it is exactly the same. If the leaders or the managers have no integrity, if there is no credibility, they waste their time in communicating. Because their people, when they look at them, say: "What are their real motives - why are they saying that?" I don't know if you have heard what is being said these days. They say people don't listen to what you say any more, they just watch what you do. Or to put it differently, you must walk what you talk. Integrity is critical. And the point here is: integrity is the foundation of good communication, and techniques are only his servants. If there's integrity, there is trust. If there is trust, there is credibility. And then your people and my people will pay attention in spite of the poor techniques we are using.

If you want to communicate effectively in South Africa, you have to take cognisance of what I would like to call communication filters and barriers.

Examples of **filters & barriers:**

- Perceptions
- Different cultures
- Different standard of education
- Different languages (60% Blacks do not understand Afrikaans or English; 92% Whites have no knowledge of a Black language)
- Different ambitions

I said earlier that any organization must communicate. In Toyota South Africa we employ 8 000 people. They are male and female, and have different levels of education. From relatively unskilled to very highly skilled people. So whenever we communicate, we take into account that there are preconceived ideas and different perceptions within our target audience. We take into account that there are different levels of education, different language groups. I saw statistics the other day that I found difficult to believe. The gist of it was that 60% of all blacks within the greater South Africa don't understand either English or Afrikaans properly. We know that 92% of all white South Africans have no knowledge of any black language. I think it is a great shame - I am also guilty.

We know that our target audience have different ambitions. So whatever you communicate to them, if you have specific communication objectives, and if you are trying to achieve specific results, there are filters, based on that person's frame of reference. And let's be frank, there are also some barriers. It is a problem to get through to all your people. Let me highlight some of the realities of communicating within South African business today. I don't profess that we have all the answers. Definitely not.

We say whites in South Africa are primarily first world, capitalistically orientated, fairly well educated, relatively wealthy, scared of the future. We see it even now. What are we using in this fight, leading on to the referendum? We are amplifying the fears. The fear of the unknown. The fear of numbers. The fear of values. Whites are scared. No vision of the future. Once again, a generalization. Maybe this is putting it a bit strongly. But it appears we are saying: "What is going to happen to us, being a minority, having oppressed 70% of the population for at least 40 years? Is there going to be retaliation? What will the future government look like? Will there be corruption? Will there also be oppression?" There is a lot of fear. What will happen to education, to our values, to our quality of life?

Then on the other hand, if you look at the blacks: many of them are still of the third world. I know the process of urbanization is accelerating, but a large percentage is still part of a third world environment. Many black people still believe in socialism, because if you have nothing, then at least socialism will give you something. They had nothing for a very long time and they had no vote, so socialism is definitely part of their frame of reference. Uneducated, poor, angry, but they have a very clear vision of the future. They know that it is inevitable that one day they will have the power in South Africa. Very clear vision.

The one thing that we have recognized at Toyota, is that you have to look at the total person. I cannot expect the 350 hourly paid workers in our distribution centre here in Johannesburg to arrive at 08:30, to be well dressed, to be absolutely clean, to smile, to be totally happy, to work like hell in the distribution centre and to forget that this morning they left Alexandra - inadequate water, sewerage, very bad infrastructure, 365 000 people living in two kilometres by two kilometres. You have to recognize the total person. So when you communicate, you don't oversimplify things. You take into account that this is the frame of reference.

So let me summarize: "What are the critical success factors if you want to communicate effectively?"

The first one I have already touched on. That is that there should be total commitment from senior management. And the best way to describe it is to say: **"Top management must accept the responsibility of cultivating a communication orientated culture within the organization".** That is the starting point. Then in the second instance, there should be **clear objectives and an integrated strategy.** What do you want to communicate? I showed you the communication matrix. What is your strategy then to be?

It is a scientific process, so there should be a **scientific identification of target audiences.** You must know exactly what your existing image is among your people. What do they think of you? You should identify interface points and specific communication methods. You cannot just leave communication to chance. It doesn't work like that. Communication, ladies and gentlemen, in our experience, is not a spontaneous process.

Then, I have touched on this, **actions should support communication** - "walk what you talk." If you say in your mission statement: "We abhor discrimination", and you communicate that to executive briefings, and the worker then goes back and his first line manager calls him names, then that whole communication process falls to pieces. So actions across the board should support communication. You have to actively manage the communication process, and you must measure results.

Every year at Toyota South Africa we do an internal image survey. And we measure the effectiveness of our communication. We conduct focus group discussions with a representative sample of all our people. And I can actually show you that since we did our first internal image survey in 1988, if I take the effectiveness of our communication then, and what is happening now, we have made significant progress.

COMMUNICATION AT TOYOTA SOUTH AFRICA

Allow me to run very quickly through the situation at Toyota South Africa, just to give it a more practical perspective. The **strategy and principles** that we follow. We say successful organizational communication is our competitive edge and it is vital for our company's growth, profit and survival.

So when I said right at the beginning that we see it as a critical success factor in business, we believe in that. We say employee communication is only successful if it is an integral part of a complete organizational communications strategy. Communication cannot stand on its own. Communication is not just the function of the communication expert. If you want communication to be successful throughout the organization, everybody should communicate.

I said that internal communication is only successful if channels for two-way communication are established. When we defined communication, we said communication is dialogue. There is a very definite difference between discussion and dialogue. When you discuss something, you are putting your point of view across very forcefully - you want to convince people. When there is dialogue, it is a relaxed atmosphere. There is a free flow of communication.

The last principle is that we believe the foundation for good communication is a clear mission statement and management philosophy. Because your mission statement and management philosophy create the framework for effective communication.

Then if we look at the key components of our internal communication at Toyota, I have already mentioned that we do a lot of research and planning. We know our people, we know their fears and needs, we know what they think of us. We established that through effective research and we then planned our communications strategy. We have a budget for our communication infrastructure. At Toyota we have an internal communications department. Three people, very capable people, and their sole function is to look after our internal communication. That is all they do, every day, all day long. They have an adequate budget because sometimes management want people to communicate, but there is no budget for it. They have devised very scientific communication methods.

Firstly, we have an orientation programme at Toyota for all our new employees. Some people call it an introduction programme, we prefer to call it a orientation programme. It is a whole day affair, very professionally done. It is followed by three separate follow-up sessions, to ensure that all our new employees, whether they are pink or green or blue, know the mission of our company, our management philosophy, our personnel policies, what we stand for, and the role they can play within our company.

We have a host of publications. We have an internal magazine, called *Toyota Today*, but we use many other ways and means of communicating through the written word and ensuring that our people are kept informed. Our people will not read what is happening to Toyota in the newspaper. We tell them beforehand. Whenever we announce our financial results we tell them first. When we launch a new product, we tell them first. When we achieve a market share or customer satisfaction record, we tell them first. Should there be a change in management, they are the first people to know. Our communication experts also devise special letterheads.

We have *Toyota Today*, then we have *Toyota Update*, say once a week which is very concise. Then, if something dramatic happens, all the staff gets what is called the *Toyota Newsflash*. If it is a serious matter, I do a personal letter to all the staff. I have that mechanism. We have the available infrastructure, the latest computers, word processors and laser printers. We use motor sports very effectively. We make sure that the information we communicate is relevant, that it is attractive. We have reading stands placed in strategic places in our company. We use videos. We are fortunate, we have a beautiful auditorium at Toyota, and we have lunch time videos. Dr Thomas Oosthuizen from Lindsay Smithers (our advertising agency) will know that before we show new television commercials, we show those commercials to our staff first.

After a motor sport event, we normally have a motor sport video to show them what happened. In our two canteens, we have television sets. For example, this afternoon, if they want to watch cricket, they can do that. Normally we have videos of Toyota Japan, or whatever. We also use briefings. We talk to all our people about the objectives of our company. On a quarterly basis we have long-service award functions, and I use that opportunity to put our organization in perspective.

Small group activities are very important, consulting with our people, getting the message through to the frontline. We also use special occasions like "Red Nose Day" and "World Environment Day", to give our communication a little flavour - more of an informal flavour. We have informal departmental functions. We have nine major divisions at Toyota, and they each get two opportunities per year in our exhibition centre (we call it our museum). I attend every one of them personally, talk a little to the staff and mix with them informally. I have monthly meetings with our shop stewards and our black salary staff committee, and many, many other informal meetings.

We believe in management by walking around - all our directors. That is such a critical element in the communicating aspect: to be visible, to be interested, to show and demonstrate a caring attitude. We also use the team brief at Toyota, and it is very effective. So, after a board meeting or after a management committee meeting, the divisional heads have a debriefing session with their people, and they in their turn brief their teams. Within a week, normally, after a board meeting, all the people at Toyota South Africa know more or less what is happening, what is going on and what the priorities are.

CONCLUSION

Ladies and gentlemen, I want to summarize. I spoke about the importance of organizational communication and I emphasized that it will become even more important - the critical success factor in business as we move into the future. I gave you a very short definition of communication and we talked about key communication aspects. I discussed the prerequisites for communication, and I tried to illustrate the communication process at Toyota by using practical examples.

I recognize, and I am sure you recognize, that from a communication point of view we face a huge challenge. At Toyota we talk about **the battle of perceptions**. I want to reiterate: our communication is far from perfect. We still make many mistakes. We sometimes ignore that marketing cliché which says that perception is a reality. We have to win this battle of perceptions. And how are we going to do it? We need a **holistic communications strategy**. We have to introduce a **scientific method**. That is absolutely vital. And then, you have to cultivate a **communication orientated culture**. At

Toyota I cannot accept sole responsibility for effective communication. Every person should be a communication agent. Otherwise the communication process will not be effective.

The message that I want to leave with you is: "Actions should support communication". Otherwise it will have no credibility. It may work over the short term, but it will ultimately fail.

Finally I want to say that I am quite excited about our communication challenge. I find it very rewarding. But if you want to be successful, it must be a total commitment. There must be optimism that it can be done and the strategy must be applied with energy and total dedication.

DISCUSSION

Question

I would like to know what percentage of your staff is literate in English and Afrikaans, and following that question, what language medium you use for your publications and tea briefings.

Answer

We have 8 000 personnel, 5 500 of these people are black and they are predominantly Zulus. So in all our communication these days, we use English, almost exclusively. When we started off with the development of our communication strategy, we used a mixture of Zulu and English and some Afrikaans, and in some instances also Sotho. But we have now decided that it is much simpler and more effective to use English only.

The only exception is at our factory in Durban. When we do our news flashes, those flashes are mostly done in Zulu, particularly when they are directed exclusively at that particular target audience. All our people are literate. We started running literacy programmes as early as 1979. Theoretically all our people should have been literate even then, because in terms of our basic conditions of employment or the qualifications we require that the employees be literate. But we conducted some tests and discovered that many of our people were not functionally literate, and therefore we ran literacy programmes. We repeated some of those tests about a year or two ago and discovered that a very small group is still illiterate. So in general terms, all our people understand English. In our Durban factory we still have a problem and therefore some of our communication is in Zulu, but the predominant language is English.

Question

I am part of the Telkom team. We seem to be short staffed by about twenty people at this stage. What I would like to find out is whether your marketing department function separately from your communication department, and is it possible for you to give me a figure on your complete communication department?

Answer

Let me explain very briefly. We have an entirely new company called Toyota South Africa. It is basically a finance company. Then we have two operating companies: Toyota South Africa Marketing and Toyota South Africa Manufacturing. Toyota South Africa Marketing is situated in Johannesburg. Toyota South Africa Manufacturing is situated in Durban. Here in Johannesburg we employ 1 000 people and down in the factory we employ 7 000 people.

Corporate communications is being handled by our Corporate Public Affairs Division, situated in Johannesburg. Within the Corporate Affairs Division, we obviously have a press liaison section, an external communication section, and an internal communication department.

In our Durban factory, we duplicate the internal communication department. Although the internal communication manager at our factory reports to our managing director there, there is a dotted line responsibility to our corporate public affairs manager in Johannesburg.

So we can speak of a communications committee. The size of the total internal communication department: we have three people up here, and we have three people down there. This gives you a total of six people. And that is the structure at this point in time.

Question

Could you give us more information about the internal image survey for the focus groups that you do. How do you go about it, etc.

Answer

We use a structured questionnaire every year. The questionnaire goes out to all salaried staff. We are now looking at ways and means of changing that, but this was started in 1989. They complete it anonymously. All the completed questionnaires go back to an independent market research company, which ensures that they can be completely honest. It is quite a detailed questionnaire. It takes about 15-20 minutes to complete. We test their level of satisfaction with top management, with divisional management and with first line management. We ask them to give us their perspective of the future of the company. We test their degree of confidence in the ability of the company to continue to do well. Part of the questionnaire is what we call a culture print. We do an association test. We list all the cultural attributes on the left hand side and then we give them a rating scale. And they then assess, whether the company is dynamic, ethical, flexible, conservative, task orientated, bureaucratic - in all there are about 20 cultural attributes. They just tick them, and we get a very representative culture print.

We ask them about their level of satisfaction with the communication process. We test that. We list all the media that we use, the media mix, and they rate its effectiveness. We do another test. All our key principles, for example our customer satisfaction philosophy and so forth, we call the "Toyota Touch". We give them definitions, say three definitions, and they must select the most appropriate one. So that we can see whether our communication is working. We have a very specific vision statement and they must select the right one. We list our key objectives and they must arrange them in priority sequence. So, once again, we want to see whether they understand our communication.

We also test their level of satisfaction with hygiene factors. It is very important: office environment, furniture, air conditioning, whatever.

The last section deals with their level of satisfaction with other departments, for example printing, the finance department, our vehicle service centre. They assess these too.

We then get a very clear picture of what they think of management, what they think of the company, how they are experiencing the culture within our organization. How effective our communication is, and how satisfied they are with our physical environment and the service they are getting from supporting departments.

Question

What is the percentage response to this?

Answer

Over 75% - 80%. Very good response. But I must say we worked at it. Normally, after the dead-line date, we sit with between 55% - 60%. Then we start nagging. But we battled with the first survey. If I remember correctly, the response rate was about 55% - 56%. Because people were scared. But now we have a high level of confidence and it is working.

Two years ago we started conducting focus group discussions with our hourly paid employees. We use a facilitator with groups consisting of an average of ten to twelve people. They spend an hour together and our facilitator is highly skilled. We are very fortunate in that we have an extremely capable lady in our market research division, Gloria Sebasi, and she sits with them. It is an exchange of ideas and information. She then puts it together in a very concise report for our benefit.

And I am telling you, when I got that first report, I wanted to commit suicide because it was patently obvious that our communication to our hourly paid people was not effective. They had strange perceptions. They thought our internal magazine was intended for all the white people, that what they got to read, was a collated version. That we just gave them obsolete information. On the content of the internal publication they said that it is interesting. Forgive me for sounding like a racist, but we found that the white people want to read about nice saucy stories in the magazine - general interest things related to people. Our hourly paid people, wanted functional information. They want to know how the company is doing, what their contribution is, whether they are productive. They want to find out more about systems, programmes and company policies. They are not really interested in this wishy washy gossip. There were many other startling discoveries.

Question

What is the nature of the follow-up to the results? Not only the feed-back, but the follow-up. You started this in 1989. Do you find that there is a fall-off, as it were, in responses that you received?

Answer

The response rate is actually improving, but a very critical point is that if you ask people for their opinion, you raise their level of expectation and you must then deliver. So to do the survey is easy, but to take action is actually quite a challenge. We have found that to communicate the results of the survey we had to be very honest. At times my directors criticised me, because we had to admit failure in many instances. What I do, once we have all the results, is to have a series of information sessions in our auditorium. We take two divisions at a time, and we say to them: "This is what you told us and this is what we can do." And I am honest with the people. In some instances there isn't much that I can do. But the ratings in terms of effectiveness of communication improved quite significantly. But in other instances it is difficult to make progress because you ask people, they give their opinion, and they expect more.

Question

The video showings: do you have dedicated viewing times where people have to come in at specific times?

Answer

Sometimes we do it in a very structured way. For example, our internal communication manager is a lady with the name of Cathy Charles. Last year when we launched the Toyota Venture at the Wild Coast Sun, our internal communication department made a complete video of the launch function. In that case, Cathy went to the director of After Sales, and said that we would like to show it to all the people in the Parts and Distribution Centre. He then made a special arrangement. They came in half an hour earlier and she did that one session between 12:30 and 13:00. So, the video sessions, in many instances, are structured. Otherwise, it tends to disrupt. But in other cases, if you take the canteen, for example, when there was a heavyweight title fight: our people don't all have M-Net. So we taped it and when they came in for lunch the next day they could all watch the boxing. It had a very favourable impact. But they also had to watch a video of me talking about our objectives for 1992, so at least they had the patience to watch that, because they were waiting for the boxing that was going to follow. But that is the way we use the video medium.

Question

Measuring of results. What do you do to really ensure honesty - that people will come up with their real problems. They always fear that they are going to be blamed for what they are saying. Apart from questionnaires, apart from focus groups, do you also recognize the co-called informal communication as legitimate feedback?

Answer

In our experience, top management must set the right example. That is the only way. So we are marketing people. Sometimes the temptation is enormous to promote and influence the people and say that this is what is going to happen. But we restrain ourselves deliberately and sometimes we can. The frame of reference could be different. We say one thing and then it is taken up in a different way. There are many pitfalls. But top management must set the best example. That is the only solution there is. And we don't only communicate good news. We also communicate bad news. But then we try and explain and give people perspective.

We recognize the grapevine as an extremely important way of communication and we take note of this through our small group activities and through our informal gatherings. I get really honest feedback in those departmental gatherings I attend down at our exhibition centre, especially after the second or third beer. The other thing is that our internal communication people get around. They are our communication scouts. They don't sit in their offices and wait for the information to be fed through to them. They are open, they walk around, they talk to the people, and that information is critical.

3

COMMUNICATION WITH A CHANGING LABOUR FORCE

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South Africa is in a transitional phase. Radical changes in the economic, political, social and technological fields are the order of the day. The nature and rate of these changes affect every employee, manager and organization to a greater or lesser extent. The rate at which organizations change requires commensurate changes in the knowledge, levels of skill and behavioural patterns of their employees and management. The survival of an organization during times of change depends largely on the extent to which changes are managed and mastered.

The next decade will be challenging for management as far as a changing labour force is concerned. The following worldwide trends are also becoming apparent in South Africa: a larger but better educated labour force; fewer younger entrants to the labour market; an aging labour force; a more diverse labour force, including more women and more people of population groups other than white; changes in the occupational structure of the labour force; and increasing worker representation.

The strategic importance of human resources is widely acknowledged. There is a general belief that the effective development and utilization of human resources do give organizations a competitive edge. Consequently a changing labour force has various implications for organizations as the composition of the macro labour force reflects to a greater or lesser degree the composition of an organization's micro work force. The various implications range from the implementation of strategic business plans to day-to-day communication within an organization.

In order to do justice to the title of this paper it is essential to analyze the South African labour force over the past 20 years, to interpret emerging trends and to anticipate future changes. What happened to the South African labour force between 1970 and 1990 and what are some of the estimates for 1995?

A CHANGING LABOUR FORCE

The Central Statistical Services' census data is the most comprehensive source of information for determining trends in the South African labour force. The censuses of 1970, 1980 and 1985 form the basis of the estimates for 1995. The labour force or the economically active population (EAP) is a function of the total population of South Africa. Therefore changes in the labour force are related to changes in the total population.

The following characteristics of the total population and labour force will be discussed:

- The fertility rate of the South African population in 1970, 1980 and 1990
- The size and composition of the total population in 1985 and the estimate for 1995
- The composition of the EAP in 1985 and the estimate for 1995 according to gender, population group and age
- The educational level of the EAP in 1970, 1980 and 1985
- The occupational structure of the EAP in 1985 and the estimate for 1995

- The immigration and emigration figures for the period between 1980 and 1990

- Worker representation for the period between 1980 and 1990

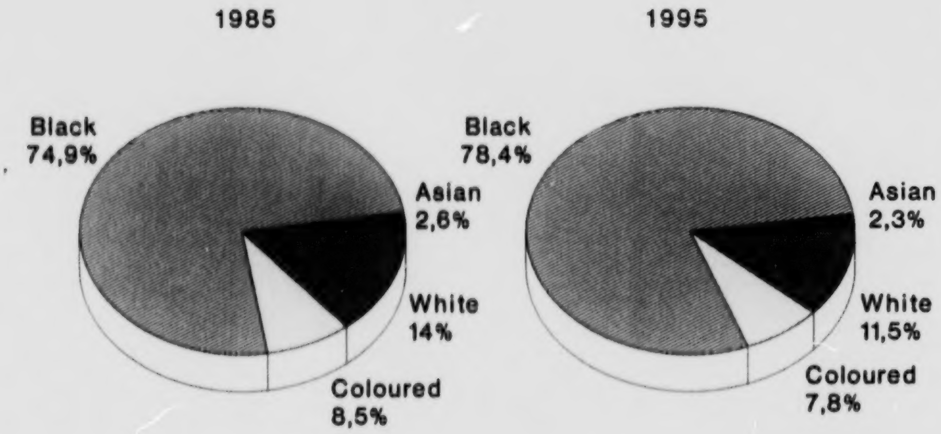
1. The total population and the economically active population (EAP)

The total population growth is related to the fertility rate of the population. In 1990 the fertility rates of the various population groups were 2,4 % for Asians, 4,9 % for blacks, 2,7 % for coloureds and 1,8 % for whites (see Table 3.1). The average fertility rate of all population groups is currently 4,2 children per woman (Republic of South Africa, 1990:33). Although there has been a decline in growth rates among all population groups since 1970, a relatively high population growth rate is still anticipated over the coming decades.

It is estimated that by 1995 the South African population (TBVC countries included) will have increased by more than ten million people, from 34,6 million people in 1985 to an estimated 45 million people in 1995 (see Table 3.2). Figure 3.1 illustrates the changes in the proportional representation of the various population groups (in 1985 and the estimate for 1995). As can be seen, blacks comprised 74,9 % of the total population in 1985. This is expected to increase to 78,4 % in 1995. The comparative percentages for whites were 14 % in 1985 and an expected 11,5 % in 1995. The highest proportional increase of 3,5 % is estimated will be among blacks while the highest proportional decrease of 2,5 % is estimated will be among whites. This anticipated greater increase in the number of blacks will impact directly on the future supply of labour in South Africa.

FIGURE 3.1

TOTAL POPULATION IN 1985 AND THE ESTIMATE FOR 1995 ACCORDING TO POPULATION GROUP



SOURCE: Mostert and Van Tonder 1987: 16, 29, 45, 68, 84.

TABLE 3.1

TOTAL FERTILITY RATE ACCORDING TO POPULATION GROUP

Year	Population group			
	Asian	Black	Coloured	White
1970	3,8	5,8	5,1	3,0
1980	2,7	5,2	3,3	2,0
1990	2,4	4,9	2,7	1,8

Source: Republic of South Africa 1990:33

TABLE 3.2

THE TOTAL POPULATION[1] IN 1985 AND THE ESTIMATE FOR 1995 ACCORDING TO POPULATION GROUP

Population group	1985 ('000)	1995 ('000)
Asian	883	1 031
Black	25 957	35 285
Coloured	2 952	3 529
White	4 852	5 169
TOTAL	34 644	45 014

[1] TBVC countries included - low variant estimates

Source: Mostert and Van Tonder 1987: 16, 29, 45, 68, 84

The economically active population is a function of the total population. In this paper the economically active population (EAP) refers to people between the ages of 15 and 74 years who are gainfully employed or who are actively seeking work. It is estimated that just over a third (33,7 %) of the total population will be economically active in 1995 (see Table 3.3).

This is estimated will be about 3,3 million people more than were economically active in 1985. Approximately three-quarters (76,5 %), namely 2,6 million, of the potentially economically active population are expected to be black people.

TABLE 3.3

THE ECONOMICALLY ACTIVE POPULATION[1] IN 1985 AND THE ESTIMATE FOR 1995

Population group	1985	1995
Asian	320	404
Black	8 166	10 821
Coloured	1 177	1 481
White	2 143	2 450
TOTAL	11 806	15 156

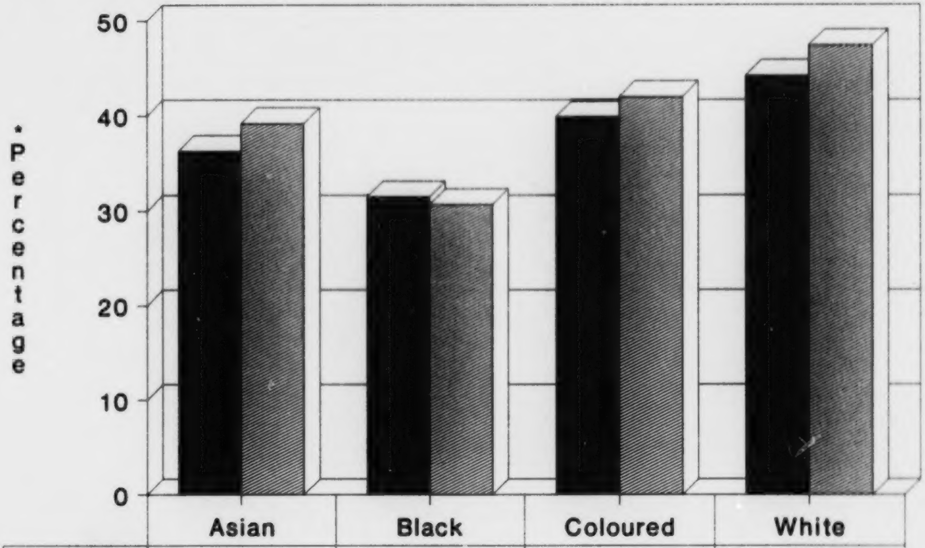
[1] TBVC countries included

Source: Marais 1988:127

Figure 3.2 displays the percentages of the economically active population in 1985 and the estimates for 1995 according to the various population groups. Although it is expected that only three out of every ten blacks will be economically active by 1995 compared to the four out of every ten people of the other population groups, the actual numbers of potentially economically active blacks far outnumber the other population groups.

Regarding the gender ratio of the economically active population, the participation of women will rise from 36,2 % of the total in 1985 to an estimated 38,3 % in 1995 (see Table 3.4). The increase in the economic activities of women is a global phenomenon (Naisbitt & Aburdene, 1991). The most striking change will be the decline in the number of white people from about 18 % in 1985 to an estimated 16 % in 1995 (see Figure 3.3). A probable reason for this decline is the sharp increase in the number of black women who, it is believed, will enter the labour market. The estimated annual growth rate for black women in the EAP is 3,5 % compared to the 1,7 % of white women. The question that arises is what implications will the increase in the number of economically active women have for a particular organization in terms of communication?

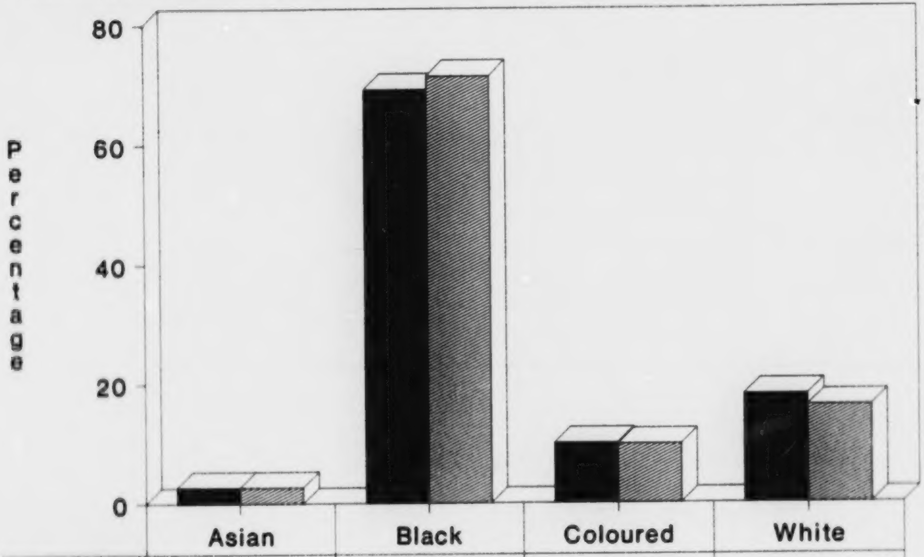
FIGURE 3.2
THE ECONOMICALLY ACTIVE POPULATION IN 1985 AND THE ESTIMATE FOR 1995 ACCORDING TO POPULATION GROUP



	Asian	Black	Coloured	White
1985 ■	36.3	31.5	39.9	44.2
1995 ▨	39.2	30.7	42	47.4

• Economically active population as percentage of total population.

FIGURE 3.3
THE ECONOMICALLY ACTIVE POPULATION IN 1985 AND THE ESTIMATE FOR 1995 ACCORDING TO POPULATION GROUP



	Asian	Black	Coloured	White
1985 ■	2.7	69.2	10	18.1
1995 ▨	2.7	71.4	9.8	16.2

SOURCE: Marais 1988:127.

TABLE 3.4

THE ECONOMICALLY ACTIVE POPULATION[1] IN 1985, AN ESTIMATE FOR 1995 AND THE EXPECTED ANNUAL GROWTH RATE FOR THE PERIOD 1985-1995

Population group	Gender	1985		1995		Annual growth rate %
		N	%	N	%	
Asian	Male	299 865	1,9	283 646	1,9	2,1
	Female	90 391	0,8	120 151	0,8	2,9
	Subtotal	320 256	2,7	403 796	2,7	2,3
Black	Male	5 222 792	44,2	6 654 872	43,9	2,5
	Female	2 943 670	24,9	4 165 810	27,5	3,5
	Subtotal	8 166 461	69,2	10 820 682	71,4	2,9
Coloured	Male	703 986	6,0	872 749	5,8	2,2
	Female	473 289	4,0	608 826	4,0	2,6
	Subtotal	1 177 275	10,0	1 481 575	9,8	2,3
White	Male	1 377 307	11,7	1 540 827	10,2	1,1
	Female	765 271	6,5	909 806	6,0	1,7
	Subtotal	2 142 578	18,1	2 450 633	16,2	1,4
Total	Male	7 533 949	63,8	9 352 095	61,7	2,2
	Female	4 272 621	36,2	5 804 593	38,3	3,1
	Total	11 806 570	100	15 156 688	100	2,5

[1] TBVC countries included.

Source: Marais 1988:127.

2. Educational level of EAP

The paradox of a shortage of skilled high-level human resources and an oversupply of lower-level and unskilled labour, is still true for South Africa. Several changes in the educational levels of the various population groups have occurred since 1970.

According to the 1970 census data more than one-third (37,4 %) of the EAP had no formal schooling (see Table 3.5 as well as Figure 3.4). This percentage had decreased to 17,2 % by 1985. In actual numbers this meant that in 1985 approximately 1,5 million economically active people had no formal schooling (see Table 3.6).

TABLE 3.5

ECONOMICALLY ACTIVE POPULATION OF THE RSA[1] ACCORDING TO EDUCATION LEVEL, 1970, 1980 AND 1985

(Percentages)

QUALIFICATION		ASIAN			BLACK			COLOURED			WHITE			GRAND TOTAL		
		Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Total
Not specified	1980*	0,6	0,6	0,6	0,6	0,7	0,6	0,7	0,8	0,7	1,2	1,1	1,2	0,7	0,8	0,8
	1985	0,3	0,4	0,3	0,3	0,3	0,3	0,2	0,2	0,2	1,1	0,8	1,0	0,5	0,4	0,4
None	1970*	6,7	16,1	8,5	52,3	45,1	49,8	24,7	18,1	22,4	1,1	1,1	1,1	38,6	35,0	37,4
	1980	4,0	7,9	5,0	35,9	29,8	34,0	17,0	13,5	15,6	1,1	1,0	1,0	25,5	20,7	23,9
	1985	2,3	5,4	3,2	26,7	22,8	25,3	13,2	10,0	11,9	0,5	0,5	0,5	18,3	15,4	17,2
Primary School	1970	34,7	40,9	35,9	35,7	38,3	36,6	43,3	48,9	45,3	3,3	1,7	2,8	29,9	33,3	31,0
	1980	19,1	25,2	20,7	40,6	39,2	40,2	39,7	42,0	40,5	1,4	0,9	1,3	31,3	30,6	31,1
	1985	14,9	19,5	16,2	44,4	41,3	43,3	38,7	39,6	39,1	1,2	0,9	1,1	32,8	31,3	32,3
Std 6-7	1970	36,0	22,8	33,5	8,7	11,9	9,8	22,4	22,1	22,3	25,4	17,5	23,1	13,9	13,9	13,9
	1980	32,3	24,3	30,2	14,3	16,8	15,7	25,8	25,1	25,5	15,0	8,6	12,9	16,2	17,4	16,6
	1985	28,6	22,1	26,7	10,1	19,1	17,2	26,5	26,3	26,4	10,5	5,9	8,9	16,6	17,3	16,8
Std 8-9	1970	14,2	13,3	14,0	2,7	4,3	3,3	6,9	9,3	7,7	31,2	39,0	33,5	9,0	10,6	9,5
	1980	24,8	21,9	24,0	6,3	9,2	7,2	11,1	14,4	12,4	30,4	35,0	31,9	12,6	15,9	13,7
	1985	27,5	23,0	26,2	8,6	11,3	9,5	13,5	16,4	14,7	29,0	32,1	30,1	14,5	17,1	15,4
Std 10	1970	5,3	4,0	5,0	0,4	0,3	0,4	1,7	0,9	1,4	25,1	26,9	25,6	5,5	4,8	5,3
	1980	12,9	13,4	13,0	1,7	1,6	1,7	3,6	2,7	3,2	30,2	32,6	31,0	8,4	9,0	8,6
	1985	18,0	19,2	18,4	3,3	4,0	3,5	5,2	4,5	4,9	30,8	31,5	31,1	10,3	10,7	10,4
Std 10 + Diploma	1970	1,8	2,3	1,9	0,1	0,1	0,1	0,9	0,6	0,8	7,5	10,0	8,2	1,7	1,8	1,7
	1980	3,5	5,2	3,9	0,4	0,7	0,5	1,7	1,5	1,6	11,4	14,8	12,6	3,0	4,1	3,4
	1985	4,7	7,7	5,6	0,5	1,1	0,7	2,0	2,6	2,3	15,6	20,5	17,4	4,3	5,9	4,9
Degree	1970	1,3	0,6	1,2	0,0	0,0	0,0	0,2	0,0	0,1	6,5	3,6	5,6	1,3	0,6	1,1
	1980	2,8	1,7	2,5	0,1	0,1	0,1	0,5	0,2	0,3	9,3	6,0	8,2	2,2	1,5	2,0
	1985	3,8	2,7	3,5	0,2	0,1	0,2	0,6	0,3	0,5	11,3	7,8	10,0	2,9	2,0	2,6
TOTAL	1970	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
	1980	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
	1985	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: Population censuses 1970, 1980 & 1985 - Central Statistical Services

[1] TVBC countries excluded.

* Educational level 'not specified' included under 'none'.

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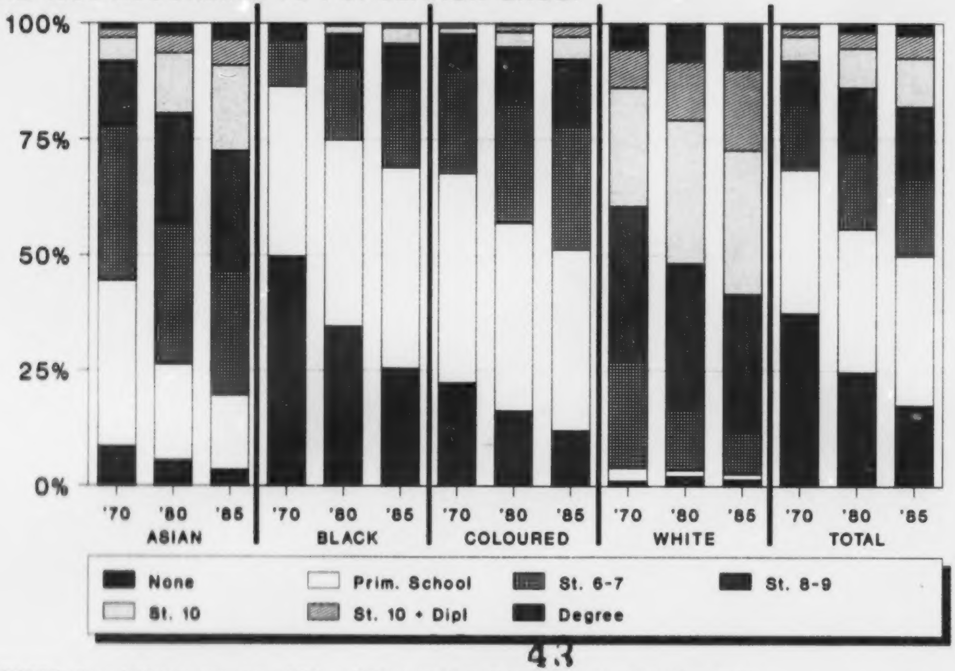
FIGURE 3.4

QUALIFICATION DISTRIBUTION OF THE EAP IN 1970, 1980 AND 1985 ACCORDING TO POPULATION GROUP



SOURCE: Population censuses 1970, 1980 & 1985 - Central Statistical Services.

TABLE 3.6

ECONOMICALLY ACTIVE POPULATION OF THE RSA[1] ACCORDING TO EDUCATION LEVEL, 1970, 1980 AND 1985 ('000)

QUALIFICATION		ASIAN			BLACK			COLOURED			WHITE			GRAND TOTAL		
		Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Sub Total	Male	Female	Total
None	1970*	9,9	5,6	15,5	1 944,9	896,1	2 841,0	114,5	45,7	160,2	11,6	5,1	16,7	2 080,9	952,5	3 033,4
	1980	7,4	5,2	12,6	1 380,5	522,2	1 902,7	97,4	47,9	145,3	13,7	6,3	20,0	1 499,1	581,7	2 080,8
	1985	4,8	4,4	9,2	911,0	432,0	1 343,0	87,7	46,3	134,0	6,0	3,3	9,3	1 009,7	486,0	1 495,7
Primary School	1970	51,2	14,1	65,3	1 325,7	759,9	2 085,6	200,8	123,5	324,3	34,9	7,6	42,5	1 612,6	905,1	2 517,7
	1980	36,3	16,6	52,9	1 561,2	686,6	2 247,8	227,4	149,5	376,9	18,0	5,9	23,9	1 843,0	858,7	2 701,7
	1985	31,1	16,4	47,5	1 512,7	783,5	2 296,2	255,5	182,8	438,3	15,2	6,2	21,4	1 814,5	989,0	2 803,5
Std 6-7	1970	53,1	7,9	61,0	321,9	236,2	558,1	103,8	55,7	159,5	269,4	78,6	348,0	748,3	378,4	1 126,7
	1980	61,3	15,9	77,2	550,8	329,2	880,0	147,9	89,4	237,3	191,6	54,6	246,2	951,6	489,2	1 440,8
	1985	59,6	18,5	78,1	549,7	363,2	912,9	175,1	121,4	296,5	132,5	42,1	174,6	917,0	545,2	1 462,2
Std 8-9	1970	21,0	4,6	25,6	101,5	84,8	186,3	31,9	23,4	55,3	331,2	174,7	505,9	485,7	287,5	773,2
	1980	47,0	14,4	61,4	242,1	160,5	402,6	63,7	51,2	114,9	388,0	221,1	609,1	740,8	447,2	1 188,0
	1985	57,3	19,3	76,6	291,3	214,2	505,5	88,8	75,8	164,6	364,5	229,6	594,1	801,9	539,0	1 340,9
Std 10	1970	7,8	1,4	9,2	16,3	5,9	22,2	7,8	2,3	10,1	265,9	120,7	386,6	297,8	130,3	428,1
	1980	24,5	8,8	33,3	65,3	27,9	93,2	20,7	9,5	30,2	384,8	206,1	590,9	495,4	252,3	747,7
	1985	37,6	16,1	53,7	110,8	75,2	186,0	34,0	20,9	54,9	387,0	225,6	612,6	569,5	337,9	907,4
Std 10 + Diploma	1970	2,7	0,8	3,5	4,5	2,8	7,3	4,1	1,6	5,7	79,1	45,0	124,1	90,5	50,3	140,8
	1980	6,7	3,4	10,1	15,6	12,3	27,9	9,8	5,3	15,1	146,1	93,3	239,4	178,3	114,4	292,7
	1985	9,8	6,5	16,3	16,1	21,8	37,9	13,4	12,2	25,6	196,3	146,7	343,0	235,6	187,3	422,9
Degree	1970	1,9	0,2	2,1	1,0	0,2	1,2	0,8	0,1	0,9	68,6	16,2	84,8	72,4	16,8	89,2
	1980	5,3	1,0	6,3	5,2	1,4	6,6	2,5	0,6	3,1	118,4	37,9	156,3	131,4	41,1	172,5
	1985	7,9	2,3	10,2	5,7	2,6	8,3	4,0	1,5	5,5	141,6	56,1	197,7	159,2	62,6	221,8
Not specified	1970*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1980	1,2	0,4	1,6	22,5	12,2	34,7	4,0	2,7	6,7	15,4	6,7	22,1	43,1	22,1	65,2
	1985	0,6	0,2	0,8	8,7	6,0	14,7	1,4	0,9	2,3	14,3	5,4	19,7	25,0	12,6	37,6
TOTAL	1970	147,6	34,7	182,3	3 716,0	1 985,9	5 701,9	463,8	252,4	716,2	1 060,9	448,0	1 508,9	5 388,4	2 721,0	8 109,4
	1980	189,8	65,9	255,7	3 843,4	1 752,4	5 595,8	573,5	356,3	929,8	1 276,3	631,9	1 908,2	5 883,0	2 806,7	8 689,7
	1985	208,7	83,9	292,6	3 406,3	1 898,6	5 304,9	659,9	462,0	1 121,9	1 257,6	715,1	1 972,7	5 532,7	3 159,6	8 692,3

Source: Population censuses 1970, 1980 & 1985 - Central Statistical Services

1) TVBC countries excluded

* 1970: Educational level 'not specified' included under 'none'

Although it is expected that there will be a decrease in the number of people with no formal schooling, this still has serious implications for organizational communication. Despite the gradual improvement in the educational level of the economically active population (EAP), major differences are still evident in the educational levels of the various population groups.

In 1985, 5,6 million or 64,5 % of the EAP possessed an educational qualification of std 9 or less while only one out of every ten (10,4 %) people in the total population had a std 10 certificate as their highest educational qualification. This amounts to less than one million (907 400) people. The percentage of people with a std 10 certificate as their highest qualification varied tremendously among the various population groups. Almost one-fifth (18,4 %) of Asians had a std 10 certificate, compared to 3,5 % of blacks, 4,9 % of coloureds and 31,1 % of whites. Less than five percent (4,4 %) of the black EAP had a std 10 and higher qualification in 1985. The comparative figures were 7,4 % for coloureds, 27,5 % for Asians and 58,5 % for whites.

The differences in the educational levels of the South African labour force may present one of the biggest challenges to the effectiveness of organizational communication.

3. Age structure of the EAP

The age structures of the different population groups are determined by the demographic factors of fertility, mortality and migration. During the process of demographic transition the median age of the various population groups varies at different rates and the median ages in each group increase accordingly. The median age of the black population is expected to rise from 17,9 years in 1985 to 20 years in 2010. By contrast the white population's median age of 29,5 years in 1985 will rise to 37,3 years in 2010 (Mostert & Van Tonder, 1987:45,84).

In 1985, 25 % of the white population was between 0 to 14 years old, compared with the estimated percentages of 22 % in 1995 and of 19 % for the year 2010. Comparative figures for the other population groups for the age group between 0 and 14 years are (see also Table 3.7):

	1985	1995	2010
	%	%	%
Asian	33	29	23
Black	44	43	39
Coloured	35	33	26
White	25	22	19
TOTAL	40	40	36

The decline in the supply of younger people entering the labour market is a worldwide trend (Darling, 1990; Offerman & Gowing, 1990).

As far as the age group 15 to 64 years (part of the EAP) is concerned, 56 % of the total population was in this age category in 1985 compared with the expected 59 % in the year 2010 (see also Table 3.7):

	1985	1995	2010
	%	%	%
Asian	64	67	70
Black	53	54	57
Coloured	61	64	69
White	67	69	69
TOTAL	56	57	59

Briefly, the different median rates of aging in the various population groups have various implications.

The proportional component of the potentially economically active white population (persons in the age group between 15 and 64 years) is declining sharply and consequently fewer young white people will enter the labour market. Put differently, the economically active white

TABLE 3.7

PRESENT AND PROJECTED AGE DISTRIBUTION OF THE SOUTH AFRICAN POPULATION (*) ('00)

Population group	Age group	1985		1990		1995		2000		2005		2010	
		N	%	N	%	N	%	N	%	N	%	N	%
Asian	0-14	2 914	33	2 942	31	3 002	29	2 956	27	2 827	25	2 728	23
	15-64	5 674	64	6 342	66	6 920	67	7 503	68	8 025	70	8 452	70
	64 +	248	2.8	310	3.2	391	3.8	499	4.6	647	5.6	850	7.1
	Total	8 836	100	9 594	100	10 313	100	10 958	100	11 499	100	12 030	100
Black	0-14	113 546	44	131 561	43	152 333	43	174 168	43	197 535	42	209 527	39
	15-64	138 234	53	162 131	54	189 659	54	222 683	54	261 283	55	306 031	57
	64 +	7 794	3.0	9 197	3.0	10 862	3.1	12 810	3.1	15 260	3.2	18 196	3.4
	Total	259 574	100	302 889	100	352 854	100	409 661	100	474 078	100	533 754	100
Coloured	0-14	10 453	35	10 815	33	11 546	33	11 951	31	11 726	29	11 196	26
	15-64	18 027	61	20 411	63	22 439	64	24 577	65	26 981	67	29 329	69
	64 +	1 038	3.5	1 142	3.5	1 299	3.7	1 519	4.0	1 812	4.5	2 205	5.2
	Total	29 518	100	32 368	100	35 284	100	38 047	100	40 519	100	42 730	100
White	0-14	12 067	25	11 464	23	11 345	22	11 053	21	10 761	20	10 689	19
	15-64	32 363	67	34 363	68	35 644	69	36 921	70	37 707	70	37 931	69
	64 +	4 083	8.4	4 386	8.7	4 700	9.1	5 089	9.6	5 747	11	6 674	12
	Total	48 513	100	50 213	100	51 689	100	53 063	100	54 215	100	55 294	100
TOTAL	0-14	138 980	40	156 782	40	178 226	40	200 128	39	222 849	38	234 140	36
	15-64	194 298	56	223 247	57	254 662	57	291 684	57	333 996	58	381 743	59
	64 +	13 163	3.8	15 035	3.8	17 252	3.8	19 917	3.9	23 466	4.0	27 925	4.3
	Total	346 441	100	395 064	100	450 140	100	511 729	100	580 311	100	643 808	100

Source: HSRC Report S-158. 1987. Projections of the South African population.

(*) TBVC countries included.
Low variant projection.

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component is relatively older than that of the other population groups, particularly that of the black population group.

An interesting question arises: How can the work values, expectations and behaviour of older and younger workers be reconciled? Furthermore, to what extent should this be taken into account when communicating with the work force?

4. Occupational structure of the EAP

The way in which commodities and services are produced in any country is reflected to some extent in the occupational structure of its labour force. The changes in the population group structure in 12 occupational categories for 1971, 1981, 1985 as well as the estimated structure in 1995 appear in Table 3.8.

The 12 occupational categories are

- the nursing profession,
- the teaching profession,
- other professional, semi-professional and technical occupations,
- managerial and administrative occupations,
- clerical occupations,
- sales occupations,
- transport and communication occupations,
- service occupations,
- production foremen/supervisors,
- tradesmen,
- trade-related occupations,
- operator, production and mineworkers, labourer.

In general the percentage of whites has decreased in all occupational groups. There has been an increase in the percentage of blacks in particular and to a lesser degree of coloureds and Asians. The greatest changes in the population group structure occur in the teaching and nursing professions, and in clerical, sales and supervisory occupations. For example there is a projected increase in the proportional percentage of coloured nurses from 1971 to 1995

TABLE 8

POPULATION GROUP STRUCTURE BY OCCUPATIONAL GROUP* IN 1971, 1981 AND 1985 AND THE ESTIMATE FOR 1995**

Occupational group	Population group	1971 %	1981 %	1985 %	1995	
					%	N
Nursing profession	Asian	2,3	1,3	2,5	3,0	3 959
	Black	46,0	45,5	45,1	49,1	64 099
	Coloured	7,5	12,6	13,6	17,6	23 009
	White	44,2	40,6	38,8	30,2	39 399
	Subtotal	100	100	100	100	130 466
Teaching profession	Asian	5,0	5,4	5,0	4,6	16 631
	Black	35,2	35,6	44,1	45,5	164 202
	Coloured	12,9	16,2	13,9	15,4	55 644
	White	46,9	42,9	37,0	34,4	124 027
	Subtotal	100	100	100	100	360 504
Other professional, semi-professional and technical occupations	Asian	1,0	2,7	3,0	4,7	16 267
	Black	5,2	4,2	4,4	6,5	22 530
	Coloured	1,5	2,6	2,8	4,4	15 256
	White	92,3	90,5	89,8	84,3	290 320
	Subtotal	100	100	100	100	344 373
Managerial and administrative occupations	Asian	2,1	2,1	2,1	2,3	6 489
	Black	0,4	1,3	1,8	2,4	6 765
	Coloured	0,5	1,2	1,5	2,4	6 612
	White	97,0	95,4	94,6	92,9	260 029
	Subtotal	100	100	100	100	279 895
Clerical occupations	Asian	6,0	8,0	7,7	11,0	113 420
	Black	10,2	17,8	19,3	24,9	256 953
	Coloured	5,0	8,8	10,8	14,2	146 953
	White	78,8	65,5	62,2	49,9	515 960
	Subtotal	100	100	100	100	1 033 286
Sales occupations	Asian	9,9	7,1	6,3	7,2	31 736
	Black	16,9	25,0	32,5	38,5	169 956
	Coloured	6,1	8,4	12,3	15,1	66 760
	White	67,1	59,6	48,9	39,1	172 469
	Subtotal	100	100	100	100	440 921

*Domestic and agricultural workers, as well as the informal sector, are excluded.

**Source: Marais 1988:135, 136, 137

TABLE 8 (continued)

Occupational group	Population group	1971 %	1981 %	1985 %	1995	
					%	N
Transport and communication occupations	Asian	4,4	4,4	3,6	4,3	12 350
	Black	50,2	59,0	60,8	62,8	180 367
	Coloured	12,1	11,3	10,9	11,0	31 593
	White	33,2	25,3	24,7	21,9	62 899
	Subtotal	100	100	100	100	287 209
Service occupations	Asian	3,9	2,8	2,3	1,9	13 812
	Black	62,8	64,0	65,4	66,0	479 769
	Coloured	11,2	11,7	11,7	11,6	84 323
	White	22,1	21,4	20,6	20,5	149 019
	Subtotal	100	100	100	100	726 923
Production foremen/supervisors	Asian	4,2	4,3	5,0	5,3	7 997
	Black	16,2	26,5	36,4	48,5	73 122
	Coloured	8,0	12,3	11,4	13,8	20 786
	White	71,6	56,9	47,2	32,4	48 856
	Subtotal	100	100	100	100	150 761
Tradesmen	Asian	2,3	4,0	4,2	6,1	20 591
	Black	3,3	5,9	6,9	11,5	38 773
	Coloured	13,1	17,5	17,9	23,6	79 849
	White	81,2	72,6	71,0	58,8	199 038
	Subtotal	100	100	100	100	338 251
Trade-related occupations	Asian	3,6	5,3	6,2	7,9	2 991
	Black	7,6	10,9	19,6	21,5	8 139
	Coloured	8,1	9,6	9,8	12,9	4 894
	White	80,7	74,2	64,4	57,7	21 894
	Subtotal	100	100	100	100	37 918
Operator, production and mineworkers, labourer	Asian	2,8	2,8	2,7	2,7	84 852
	Black	80,1	79,8	80,5	80,3	2 523 558
	Coloured	11,3	13,0	12,2	13,0	408 546
	White	5,7	4,3	4,6	4,0	125 707
	Subtotal	100	100	100	100	3 142 663
TOTAL	Asian	3,6	3,8	3,7	4,6	331 095
	Black	56,1	55,5	55,0	54,8	3 988 233
	Coloured	9,9	11,7	11,5	13,0	944 225
	White	30,8	29,0	29,8	27,6	2 009 617
	TOTAL	100	100	100	100	7 273 170

compared with a proportional decrease in the percentage of white nurses (7,5 % increasing to 17,6 % and 44,2 % decreasing to 30,2 % respectively). Even more significant are the changes that have occurred in supervisory occupations. In 1971 the proportional representation of whites in supervisory occupations was 71,6 % compared with the estimated percentage of 32,4 % in 1995. The comparative figures for blacks are 16,2 % and 48,5 % respectively. Although the changes in professional, semi-professional, technical, managerial and administrative occupations are not as significant, gradual changes are occurring.

5. Immigration and emigration

While the shortage of high-level human resources increases, statistics indicate a decline in the net migration gain figures of economically active people for the period from 1980 to 1990 (7 974 to 4 345) (see Table 3.9.) If domestic stability can be accomplished and as the lifting of sanctions gains momentum, a greater increase in the supply of high-level human resources from other countries can be expected.

A work force comprising people from various countries may call for different communication strategies to accommodate different work values and expectations.

TABLE 9
IMMIGRATION AND EMIGRATION FIGURES, RSA, 1980 - 1990

Year or quarter	Immigrants		Emigrants		Net gain/loss	
	Total	Economically active	Total	Economically active	Total	Economically active
1980	29 365	12 710	11 363	4 736	+18 002	+ 7 974
1985	17 284	7 816	11 401	4 871	+ 5 883	+ 2 945
1987	7 953	3 468	11 174	4 544	- 3 221	- 1 076
1988	10 400	5 010	7 767	3 496	+ 2 633	+ 1 514
1989	11 270	5 093	4 911	2 372	+ 6 359	+ 2 721
1990	14 499	6 727	4 722	2 377	+ 9 777	+ 4 345

Source: Republic of South Africa 1990:71 (1980-1989)

Central Statistical Services, Statistical News Release 1990:PO351

6. Worker representation

South Africa had concluded its first decade of integrated trade unionism by the time the nineties began. A few trends during the period between 1980-1990 indicate the impact of this (Republic of South Africa 1990:17-23).

- In 1990 more than one-fifth (22,2 %) of the economically active population or almost 43 % of all workers falling under the Labour Relations Act were members of registered trade unions.

- Membership of registered trade unions increased from 808 000 in 1980 to 2,46 million people in 1990.

- For the period 1980 to 1990 the number of strikes more than quadrupled.

IMPLICATIONS OF A CHANGING LABOUR FORCE

The South African labour force is becoming larger and is characterized by

- *a greater number of better educated people*

People have more educational and development opportunities. This helps to create a whole new set of employee expectations. As a result the traditional and the contemporary employee tend to hold markedly different attitudes towards work and authority. Better educated employees are better consumers of information, expect greater participation in decision making and therefore may challenge unilateral decisions by managers. Despite the increase in people's educational qualifications, organizations should ensure that their communication strategies also accommodate employees who have had no formal schooling or who have very low educational qualifications.

- *a more diverse work force*

More women and more people from populations groups other than white are entering the labour market. Many men have not worked under female supervision before or have not had the experience of supervising a multiracial work force. The greater percentage of working women means that there are more families with two breadwinners with specific work-family expectations that may have to be accommodated.

The accelerated vertical mobility of blacks and women within a managerial framework that is still dominated by white males with their corresponding values and culture may call for adjustment in the organization's communication strategy. There is a strong possibility that relations could deteriorate between white middle-level managers with some years of work experience but relatively lower educational qualifications, and the up-and-coming new managers. On the one hand the existing managers may feel threatened and on the other, the newer managers may feel uncertain in their new positions because of a lack of skills, knowledge and self-confidence. The challenge lies in creating and fostering trust between the people concerned, by communicating the specific unique work values of the organization. Such communication could help unite people to attain common goals (Byham 1987(a) and (b)).

- *fewer younger entrants into the labour market and an aging work force*

Due to a lower fertility rate the proportional component of the potentially economically active white population is declining sharply and consequently fewer younger white people will enter the labour market. The white component of the work force will therefore be relatively older than that of the other population groups. The different work values, expectations and behaviour of older and younger workers should be taken into account in the organization's communication strategy.

- *more worker representation*

In many workplaces shop stewards challenge supervisors' authority. Statistics show that employees use collective action to express their dissatisfaction with various issues, such as working conditions and equal opportunities, or the lack thereof. Until political stability is achieved, even greater impatience or even more militancy among younger employees in particular, can be expected. Production losses resulting from collective action will disturb management-employee relations. Effective organizational communication is needed to encourage discussion between management and employees in order to foster insight into each others' viewpoints. Management-employee relations should be stabilized as a result (Georgiades, 1990).

CONCLUSION

Management's role extends further than only a general perspective on and awareness of the changes and characteristics of the present and future South African labour force. The diversity of gender, population group, education, culture and age in the labour force presents a tremendous challenge to managers within the context of organizational communication. This challenge requires that changes in the labour force and their implications be interpreted within the framework of the organization's vision, strategic objectives, plans for human resources and technological changes.

DISCUSSION

Question

I should like to ask Dr van der Walt how she sees the role of the trade unions in the future.

Answer

I think that in South Africa, we have had a unique situation so far over the past ten years, in that many of the trade unions used the forum they had in the organizations in order to bring political negotiation to the forum. I think it is clear that once that power base has been restored and people can participate freely in politics in South Africa, trade unions will concentrate on the things that are important to their members, such as job security, higher wages and better working conditions. From the point of view of communication, I think it is very important that the managers should prepare themselves for this change. Many of the organizations communication strategies regarding trade unions have been focused thus far on a power struggle. And I think it is important that we organization managers should ask ourselves the question once again: "Do we really look after our people?" and that that message gets across. In other words, I anticipate a bigger partnership between the trade unions and management. And I agree with Mr Pretorius, from Toyota, who said this morning: "Two-way communication is very important" - that one should aim at a common goal. Naturally one would always find that this is a question of management against the trade unions, and the trade unions against management, but if there is a common goal, I believe it can work.

Question

1. *What was the aim of your paper?*

2. *Was the information on the graphs that you showed us based on real statistical data or on assumptions and how does that information affect organizational communication?*

Answer

The aim of my paper was to put everybody in the picture regarding the entire changing labour force. I think it is very obvious that there is nobody in this room who doesn't know about the remarks that are often made, namely that the black people comprise the majority of the population and that they also comprise the majority of the economically active population. I thought that it was important that we actually get down to the nitty gritty, to the factual situation in South Africa. That's why I tried at the end of the paper to spell out a few implications of the changing labour force.

As far as the question is concerned where you asked about assumptions on, or the basic facts about, the projections: Projections were based on the 1970, 1980 and 1985 census data and the fertility rate and mortality rate in migration factors were taken into account for those projections until 1985. It is important when one deals with the total population that one is sure that one is taking the individual characteristics of the population into consideration because they do run at various rates and they do age at various rates. Those kind of facts were taken into account when the projections were made.

As far as the projections on the occupational structure was concerned, it was taken into account that the average growth rate was 2,7% at that stage. Of course, we know that our present growth rate is 1,8%. So that means that in the actual numbers there could be fewer people in the proportional percentages. But that doesn't take the fact away that those changes that I pointed out, are actually happening right at this stage.

From a communication point of view, I think it is important that management does take these changes on the macro level into account. When one talks to people in organizations, one finds it very interesting some times, that they cannot give you the actual ratio of their females and males within their organization. They can't even give you the ratio breakdown of the people, which I think, from a communication point of view, is very important. When one asks people in organizations about the educational level, one sees the blinds go down. There is no actual knowledge. Now, I think, it is fair to make the statement that if you don't know what the educational qualification of your staff is, then you might experience problems in communicating with them.

We have seen from the 1985 census data that 1,5 million people in the labour force - not in the population, that is much higher - have no formal schooling. But the question I ask myself is: "If we put up written notices on boards, and we communicate by written notices, how do we think - leaving aside the language barrier we have in this country - people can communicate with one another if they don't have any formal communication?"

Question

In dealing with the economically active component, are there any indications as to the possible ratio between formal and informal sector by 1995? You mentioned the overall increase in the economically active population. Any idea how that can be split between the formal and informal sector?

Answer

Unfortunately, in South Africa we don't have statistics on the informal sector - they are available very much on an *ad hoc* basis. It will be very difficult to project that ratio. I think I can venture to say that because of the lack of capital coming into South Africa, the informal part of the economy is growing very rapidly and a lot of people, if one looks at our unemployment statistics, can't find work in the formal sector. These people move out to the informal sector but, unfortunately, I wouldn't venture to guess what the implication would be.

Question

Would one be far off the mark in assuming that a vast majority of new elements to the labour force would probably go into the informal sector which will leave the structure of the formal sector as it is? More or less the same in terms of ratios in 1995?

Answer

I think that is one of the assumptions that one could make. I think that one should actually take into account that we are in a very peculiar situation in South Africa right now, that it is not only the young people who can't find jobs. People in professional positions, occupations, and so forth, also lose their positions. So, I think that if one takes this into account, there could be actually a balancing factor between the two. But I would agree that the younger people are probably moving into the informal sector much more.

Suggestion

I would just want to make a suggestion, following on what Dr Sunette has shared with us: Organizational communication needs the expertise of a number of disciplines. She has presented statistical objections and issues. What we need now are communication aspects, to design strategies and to take into consideration in these projections. I think she has done a marvellous job of drawing our attention to it and I would suggest that those communication specialists take this up. I would even propose that there should be articles written on the issues explored in detail which could be a very good contribution to the subject.

Question

Is it potentially a problem if there is a section of the work force whose educational qualifications are improving and they enter (the market) and you also have a section of the work force whose educational qualifications are poor, who are illiterate - can this not basically create a particular communication problem?

Answer

I think, particularly in a situation based on the assumption that your managerial cadre's qualifications are improving, and that the qualifications of the other people entering are such that they have no or little training, that the distance between your managerial people and the people with little training will simply become greater.

Question

... even at entry level, say, for example, in terms of the employer whom you employ, against what it was previously?

Answer

Yes, I think what can be mentioned in conjunction with this, is the fact that many of your entrants to the market are youger people who have higher qualifications, as against the fact that many of your older people have managerial positions, but relatively lower educational qualifications. Although they have many more years' experience, they can to some extent feel threatened by the fact that younger people with better qualifications are entering the market. I think this should definitely be taken into account.

Comment (Dr Jopie Van Rooyen)

I think an important development is that one then often finds that illiterate people develop in such a way that they become more literate. But after they have been given the opportunity to develop, nothing more is done with them. In other words, the culture still is that they should remain at the bottom. A further wedge is created between people because of good intentions that did not become reality.

Comment (Dr Sunette van der Walt)

What Dr Van Rooyen has said, is very true. One of the implications of a more or a better trained work force is the fact that these people want to have a greater say in decision making. So if people obtain higher educational qualifications within the organization, there is obviously a process according to which people expect to have a say, and then this often does not happen because the culture within the organization did not fully adjust.

Comment (Dr Peter Franks)

I want to issue a warning. It seems that two speakers today already said that blacks, on the whole, are uneducated in those terms. From my experience, working in companies over a ten-year period, I am impressed and I am not impressed. I am impressed by the insight black workers, whether they are educated or not, have in terms of what is going on in the organization. I am not impressed with most whites' understanding of what is going on in the organization. That is a generalization and I accept that. But I think that we have to be very careful. People may not have formal qualifications. But I think we must not confuse that with being uneducated. I think people have a traditional, customary education that they acquire in the streets. I think it is in some way a far better education, especially in terms of human relations, than formal education at universities, which gives people an academic understanding of how things work, with little understanding of how things really work. I think that we also have to look at ways of assessing people's real abilities, which are not based on learnt, academic criteria, but based on actual abilities. While I agree with your statistics, I think you have to be very careful how you interpret them.

Answer (Dr Sunette van der Walt)

I think that what Dr Franks said is very important - that one should take note that we are communicating to people and that is doesn't matter whether they have a doctorate or no schooling. The human element is still very central to our communication and that should always be the way, or else you miss the whole point.

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4

HOW EFFECTIVE IS YOUR EXTERNAL COMMUNICATION TOWARDS THE COMMUNITY?

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> *"There are three types of companies: Those who make things happen, those who watch things happen and those who wonder what happened."*
> (Anonymous)

You have to ask yourself, which type of company are you from.

> *"With public opinion on its side, nothing can fail.*
> *With public opinion against it, nothing can succeed."*
> (Abraham Lincoln)

I want to start off by looking at what has been called **the marketing concept.** This has been defined as a management orientation which holds that *the key task of the company is to determine the needs and wants of target markets, and to adapt the organization to delivering the desired satisfactions more effectively and efficiently than its competitors.* Implicit in this definition is the time honoured concept in economic theory known as **consumer sovereignity**. Meaning that what is produced should not be in the hands of the companies, nor in the hands of government, but in the hands of consumers. The companies produce what consumers want and in this way maximize consumer welfare and their profits.

In the South African context, one wonders if the marketing concept is understood or practised, or simply given lip-service. Establishing the marketing concept in an organization is an extremely difficult task and it takes considerable planning, persuasion, education and re-organization. Consequently, a great number of companies really do not practise the marketing concept, even when they do espouse it. However, one must give credit to companies such as Pick 'n Pay, S.A. Breweries, Anglo American, Simba, and so on, for the leadership role they have provided in determining consumer needs and wants, and delivering these.

Now, because a large number of South African companies do not practise the marketing concept, there is a massive popular movement called **consumerism** developing in all sectors of the South African population.

What is even more disturbing, are the questions being raised about the validity of the marketing concept. Many interested parties have quite correctly raised the question of whether the marketing concept is an appropriate organizational goal in an age of environmental deterioration, resource shortages, an ever-changing South Africa, and neglected social services. Does the company that does an excellent job of servicing and satisfying individual consumer wants, necessarily act in the best long term interest of the consumer in society? Does other marketing concepts side-step the conflict between consumer wants, consumer interests and long term society welfare? Have South African companies calculated the social cost of doing business, or have they pursued the marketing concept to the detriment of preserving or enhancing consumer's and society's well-being?

I suggest that the majority of South African companies have not even begun to consider the social costs of doing business.

My introduction in this paper, you will have noticed, is about questioning South African companies. I would like to emphasize the fact that companies do not operate in a vacuum. There are social aspects to doing business. Organizations have present social obligations to meet, particularly in an ever-changing South Africa. I have not even begun to address the question of organizational communications, to which I will now get into.

I continue on the assumption that companies are conscious of the political, economical and social environments in which they operate. Marketing today calls for more than developing a good product, presenting it attractively, and making it readily available to the target market. The company must **design and disseminate information** about the product's existence, features and terms, and how these will benefit the targeted customers. Every company, then, is inevitably cast in the role of communicator or promoter. Companies have responded by hiring sales forces to ensure that their products get shelf space. They have employed advertising agencies to develop campaigns that see to it that they obtain top-of-mind consumer awareness, sales promotions agencies to develop sales campaigns, and public relations agencies are contracted to help enhance the company's image.

But how many South African companies understand that their communication responsibilities go beyond disseminating product information to their target markets? A company must communicate effectively with various interested parties within its environment. The company must communicate with its dealers, suppliers, and **internal publics**, such as its directors, middle management, sales force, workers, and so on. But very importantly a company must communicate with major **external publics** such as its share holders, the financial community, the media, government agencies and the general public.

This means that the company must know **how to market itself to various groups** in order to gain their confidence and good will. It must develop a **clear corporate identity** which demands answering an extremely difficult question: "What does it want to be?" When the company answers this question, it must mean something to its customers and other constituencies, its products, employees and actions must communicate something. And what is communicated, should not be left to chance. The company that can establish a reputation for trustworthiness, progressiveness and social responsibility has an advantage over other organizations in the minds of actual and potential customers and other publics. The corporate aura lends a halo effect to the company, its products' lines and brands. We know how bias works; when it comes to explaining why they choose one company over another, they say they have more confidence in this or that company. Customer confidence goes through a combination of satisfying needs and effective communication. You alone as corporate communicator can do the job. But how many companies in South Africa recognise the value of creating an integrated communications programme that reflects the company's identity in all it does?

For the purpose of this paper, I will address myself to external communication targeted at the general public, which is sometimes called **"voter marketing"**. I will endeavour to answer the "why", "to whom", "how", "when", "where", and "how much", of such corporative communication.

WHY SHOULD COMPANIES COMMUNICATE EXTERNALLY?

Firstly, why should companies bother to communicate with what is ultimately the voter? I have previously addressed this question, but to reiterate: "No company operates in a vacuum." Like it or not, whatever a company does, affects other parties. Secondly, good corporate citizenship demands that a company meets its obligations to society. Thirdly, confidence, trust and good will are created. Additionally, in answer to the question why communicating to the general public is important, one may include the following: It is good business. In other words, it is in your own self interest to do so. Also, foreign companies intending to invest in South Africa are going to elicit voter markets sooner than existing local companies. We know many companies are planning to invest in this country and they are masters at this kind of communication - they are going to do so even before Lever Brothers does. This is going to happen.

Silence, perceived or real, on the part of an organization in the face of attacks on its policies and practices, may be taken as an admission of guilt. Also, the failure of the media in this country to report fairly and accurately requires the creation of a controlled environment where the full story, your side of the story, can be told. In this instance, consider the damaging publicity Sabbax received after the death of the thirteen babies. When they issued a statement in the newspapers, including the *Business Day* of February the 2nd this year, the damage had already been done. Because they failed to communicate with the community (the general public) until they had a huge problem, the death of those babies damned then in the eyes of the country. Also, when a company seeks to communicate to various voters, the story can be told by controlling the content, to ensure that the most favourable perspective is attained.

Very importantly, the dialogue with the public should begin long before the organization is under siege. The acceptance and credibility built up through this kind of long range programme is beyond price, particularly when the organization has to present its target audience with its viewpoint on a highly controversial issue. We must remember that various constituents are already listening to others, namely your competitors; people listen to trade unions, they listen to political organizations, they listen to environmentalists, civic organizations and other pressure groups.

Talking about environmentalists. Have you noticed that just about everybody is presenting himself as an environmentalist, these days. Everybody is going green, green, green. It is as if this is the most important thing, while to a majority of people the green issue is a non-issue - it is not that important. There are more important issues than the green issue.

AT WHICH GROUPS IS THE COMMUNICATION DIRECTED?

The second issue to be answered in terms of communicating with the general public relates to whom, specifically, the communications are targeted. Who is your target market. At any one time, a company has to communicate with a number or all of the following targets: business, the international community, the international business community, workers, trade unions, or customers. Urban or rural blacks may be your target audience, it could be students, it could be your white population. It could be the professional class, black or white, it could be the environmentalists, again, or civic associations, or it could be sportsmen, spectators, and so it can go on and on. But in the main, success has been achieved by talking to a general public.

HOW SHOULD YOU COMMUNICATE?

The third issue to be considered in an organization's external communication is the "how". There are various postures that may be adopted in this form of advertising. The posture could be **defensive, offensive**, or a company could establish a platform of fact. Obviously, the nature of what is to be communicated will determine the posture to be adopted. But for me, establishing a platform of fact holds the greatest attraction. Here the organization presents a factual account of the relationship between the organization's activities and issues of public concern or controversy. The adverts are factual, they do not present demands for action, or a justification of past events. They present a selection of information intended to portray the organization in a good light.

One company in this country that successfully presented its case to the general public is Shell. I think there is much to be learnt from Shell in terms of their communication with the external publics. During the disinvestment period, Shell, more than most international companies, was under severe pressure to disinvest from South Africa. Shell did two things. Firstly, through advertising, **it made its position very clear on a number of issues** of interest to the public, namely, its commitment to equal opportunity for all, the need for making education accessible to all, its belief in the freedom of the press, and its opposition to the Group Areas Act. You may have seen some of these adds.

Secondly, Shell **matched utterances with visible deeds**. It was the first company to deliberately contravene the Group Areas Act by establishing the first multiracial village in South Africa; that is one of the things that Shell did. And what were the results? When the Dutch Anti-apartheid Movement demanded Shell's withdrawal, local black South Africans were pleading for Shell's continued investment in South Africa? Shell remained in South Africa.

I have digressed somewhat - let's get back to the "how". Certain basic principles must be communicated to the public. Among them, the following: Put the case **in terms of the public's self interest**. People are left cold by one's problems, unless one makes one's case in a way which lets them understand how they are affected. So their self interest must come through. Very important. You need to show balance, point out **both sides of the argument**. This will convey confidence in your own view. **Be candid**, because candour opens minds. As I said earlier, start before the problem becomes acute.

Finally, a company must enlist **all communication channels**. Not just advertising. Advertising has the advantage of being able to control what you say - where, and to whom you say it. But organizations must use public relations, lobbing resources, all public events, and make sure that the **integrated** communication programme sings the same tune.

COMMUNICATION TIMING (WHEN?)

The fourth consideration in effective communication with the general public is timing. When do you do it? I have already said that the dialogue with the public should begin long before an organization comes under siege. I now venture that the time to embark on communicating with the public, is now. And remember, what you say, must be **topical**. It is very important.

Consider what your company can do now, today. And communicate the company's interest or its position regarding the following issues now facing South Africa. What is your company's or organization's position with regard to the current violence? Does your company or organization have a position on this issue? Does the public know that position? What is your company's position in terms of the impending "yes"/"no"- vote? Do your workers know what the company position is. Whether they are going to vote "no" or not? What is your company's position when it comes to crime and unemployment? Have you made that position known? And where does your company or organization stand with regard to Codesa - which affects all of us? And the future of South Africa? What is your company or organisation's vision? Do you have a vision for a future South Africa? And do your customers know? Do your suppliers know? These and other critical issues cry out for South African companies to be heard; to clearly show that they are not confined to mere brand marketing, but voter marketing that will eventually determine whether a company is respected and admired, or condemned and consigned to history. Those few South African organizations actually communicating with the general public, I strongly feel, do not effectively reach the desired audience.

MEDIUM FOR COMMUNICATION (WHERE?)

This brings us to the "where" of organizational communications. Let us consider each medium and its effectiveness in reaching various publics. It is axiomatic that television is the most powerful medium. But then television communication in the black communities, actually the black rural communities, is extremely low. So don't use television if you are going to communicate with the rural black. The press is being used extensively by those few companies who are communicating with the external public. However, in the main, press selection has been ineffective in reaching the selected target audience. Consider that some communication intended for the general public have been placed in *Leadership* magazine. And only this morning, I saw a number of corporate adds, targeted at the general public, but do you know where they place them? They place them in *Who's Who*.

In selecting the press, organizations must always be cautious of low literacy levels, particularly in black communities. Alternative media, such as posters, pamphlets, and even comic strip brochures should be considered. Outdoor is another medium that is known to effectively reach illiterate and rural black communities. But to reach the majority of people in South Africa, radio is unquestionably the medium to use.

I have been in advertising for quite a number of years and I don't know what your experience is, but I do not recall hearing a corporate spot on the radio. Just about everybody is hung-up on the glamorous medium called television. Everybody wants to be on television. Yes, it is nice to be on television. From an advertising agency point of view we make a lot of money in terms of production and media placement, but how are you going to reach your intended target audience?

COST OF EXTERNAL COMMUNICATION (HOW MUCH?)

Finally, how is the budget to be determined? It is hard to say. But I believe that two basic principles should serve as guides: Firstly, the task at hand should be considered, and secondly, the public relations department of an organization. And here in particular I want to say: "How many South African companies have public relations departments? And those that have - how effectively have they communicated with the external public?" The public relations department of every company should do a cost benefit analysis, to determine how much should be spent against the cost of not communicating with the external public. The cost can be in the form of strikes, stay-aways, consumer boycotts, or pressure or action by local, regional or national government officials.

CONCLUSION

To conclude, I would like to share with you the results of a recent survey that was conducted, I think, late last year. It was conducted by Marketprobe amongst 794 blacks and 186 whites. The basic question was, and this was unprompted: "which company in South Africa do you respect or admire most." From the results it was clear that no company in this country is effectively communicating with its audience. I think this speaks for itself (see Table 4.1). Anglo American is obviously in a leadership position, with 8,6% white people saying they respected and admired Anglo American, and 17,6% black people. Then there is a huge difference between Anglo American and Eskom - 6,8% of the black respondents thought Eskom was a respectable company. From the results it seems that Eskom is not effectively communicating with the white sector. It should be clear that we are not communicating with the general public out there. Most companies remain unloved - that is what the results says to me.

TABLE 4.1

WHICH COMPANY IN SOUTH AFRICA DO YOU RESPECT/ADMIRE MOST?

COMPANY		BLACK (794)	WHITE (186)	TOTAL (1043)
1	Anglo American	17.6 %	8.6 %	15.3 %
2	Eskom	6.8 %	*** %	6.1 %
3	IBM / ISM	6.0 %	2.2 %	5.6 %
4	SA Breweries	6.7 %	1.6 %	5.4 %
5	Coca-Cola	4.4 %	*** %	3.5 %
6	Pick 'n Pay	1.9 %	8.6 %	3.2 %
7	Simba	2.8 %	*** %	2.5 %
8	SABC	3.1 %	*** %	2.4 %
9	Transnet	*** %	8.1 %	1.6 %
10	Old Mutual	*** %	2.2 %	1.4 %

*** too small for significance

DISCUSSION

Question

On the question of environmentalism: some of these companies you named ride quite heavily on the back of environmentalism. I would be interested to hear more about your views as to why environmentalism is a non-issue to some groups.

Answer

In my view, the white population in this country is more concerned with the environment and what is happening to the environment. But if you ask the black man in the street about the issues of the day, I bet you the environment issue will be right at the bottom. I mean he is just interested in bread and butter issues, survival issues, and not the environment.

Comments (from the audience)

You mentioned the fact that the key priorities in the black community were things like literacy, streets, the very basic bread and butter issues. Not aesthetic issues like global warming, which are so distant to the real bread-and-butter issues.

I would confirm that this has been our experience.

It enforces the fact that much of what has been done in terms of community involvement has centred around a very single-minded egocentric isolation of the issues at stake.

I wish to comment on the environmental issue you have mentioned that bread and butter issues were more important. However, I think you were referring to a limited situation. If you take that same issue into a rural situation, you will recognise that the rural population is very reliant on a healthy environment. If they don't have a healthy environment they are not going to survive.

I think it depends on people's interpretation of what health means. Because health can either be talked about theoretically and become an academic topic, or alternatively become an issue in the sense that when I am walking through the street, I can hardly walk because of the rubbish. I think there is a vast difference in our perception between intellectualizing about something and ultimately having to grasp, and live with the issue. The interpretation of what health means, to the person involved, is the issue. And that interpretation differs vastly from one group to the other.

Question

Mr Vundla, there was one statement you made that I would like you to expand on, and that is that many companies pursue the marketing concept without taking into account the social cost strategy; could you expand?

Answer

I think it is company policy to firstly determine consumer needs and wants, or rather their sense of what is needed. And then they move towards price distribution, meeting those needs. However, they attempt to do this only in terms of brand marketing and to the exclusion of social cost. I still maintain what more and more black people are beginning to say is that it is not merely a question of buying a detergent. Where does this detergent come from? Who makes this detergent? Black consumers are beginning to ask these questions. I think it is important that we do not simply communicate what we produce, because ultimately we do not sell brands out there, or products or services. We are actually selling the company. We are selling an attitude which comprises a whole range of things.

Comments (from the audience)

We have seen a clear example of the necessity to sell the company in general with the consumer boycott issue - where issues had become important to people, and here I particularly refer to the black population. I don't think the whites would stay together on issues like this. I mean, past history has shown that. The black consumer wants to know that those people who supply the goods are also looking after his interests. And if they don't, and the issue becomes political, as we have seen in the past, he is prepared to say that he is going to boycott the product. So yes, I want to confirm that in my experience consumers are looking at the product more critically and not only asking whether the product is going to be useful. If there is an alternative product, let's see who is making it, and find out what the commitment of that company is to the community and to our welfare.

Question

When you say that you want a company to take a political position (with regard to the forthcoming referendum) to make its views clear on the issues at stake, couldn't it then be accused of aligning itself with a particular ideological block? Shouldn't the communication rather be to present both the pros and cons of a position and say well, everyone is at liberty to choose, whichever option, bearing in mind the consequences?

Answer

I think our company is quite clear on the issue, and what is going to happen in the referendum is of vital importance to all of us. It is an issue that has to be dealt with. It must be faced head on and it is my personal view that if the no's get the vote, this country has had it. Speaking as a black person, if a company understands that the majority of people in this country, and they just happen to be black, do want a yes-vote, and that its future actually lies in a yes-vote, why shouldn't it make its position clear? Consider what your vote would mean in terms of business confidence. Where will the company be? We are talking about survival here, and I think they must make their position quite clear. For the first time, after years of apartheid, companies can now take a stand. We have to face this thing head-on.

Comment (from the audience)

I think that Shell, in the example that you gave, decided to take a stand, that they had to weigh the pro's and con's, but that they made sure they stood by their convictions.

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Comment (from Mr Vundla)

They did better than most other companies who had withdrawn from our country - they are growing and are now in a far better position than those who have to start all over again.

Comments (from the audience)

I. We are one of the companies that have taken a stance in the referendum, but we first communicated with our employees on the consequences of a "yes" or "no" vote, before going public. But we communicated purely on economic lines. The economic consequences of sanctions, the economic consequences of isolation from international technology, on which our company is dependent. The consequences in terms of job creation and job opportunity. And on these basis we didn't say they must vote "yes" or "no". We said: "consider these when you vote." That is the basis on which we communicated.

2. I want to make a comment on Shell, and then on the implications of the "yes" or "no"-vote. I think the one important point one must remember is that Shell established a learning organization culture. For many years they looked at possible scenarios and taught their people not to think in terms of "now", or "yesterday", but in terms of a holistic perspective of "what could be risky scenarios, better scenarios." In this particular situation, their people are already in that mode of thinking and that makes it easier. But I think they really are unique in this particular way.

3. In some of the very large companies, we have differences of opinion between the various trade unions. We have six, seven different trade unions representing the whole of the political spectrum. If you come out for a 'Yes"-vote on a moral point of view, you can expect massive industrial action from your rightwing trade unions, which is a reality in this country. I entirely agree with you on moral grounds, that yes, companies must publicly declare their point of view. But when you have different viewpoints, within such companies, it could be extremely dangerous.

Question

Coming back to our topic: How effective is your external communication towards your community? Suppose you are in business in a particular field. Which community do you really see as being representative of the general public? How do you reach that? An advertising campaign for instance works in Soweto, but will the same campaign work in small rural communities?

Answer

In general, I think it depends on the nature of your communication. You obviously need to determine and define your target audience. You need to establish whether you want to communicate with the rural blacks or with the affluent white, that is the case, isn't it?

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COMMUNICATING IN A CHANGING ORGANIZATION CULTURE

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INTRODUCTION

Coping with change is becoming a normal occurrence in most organizations. The nature and tempo of change may differ from circumstance to circumstance, but no organization is left untouched by the implications of change.

The nature of change to be dealt with can relate to political, economic, social and technological (PEST) issues. Most organizations are presently being challenged to deal with all of these issues simultaneously.

The tempo with which change occurs is also escalating. In the recent past, effective long-term strategic planning was perceived as 10 years down the line. Now, two years ahead is accepted as realistic to ensure effective strategic planning. Drafting five to ten year strategic plans can easily result in exercises of futility due to complex and turbulent environmental changes. These changes, with transient targets, require continual reassessment and adaptation of plans made.

Environmental change, as a matter of course, impacts on an organization's internal functioning and managers experience complex challenges when called upon to handle the implications of external demands made on the organization. They also experience that managing, based on an understanding of techniques and approaches that were of value in the past, does not help in dealing with changed present and past realities. Major strategic shifts in the external environment with consequent shifts in the business environment require structural adjustment, and conceptual shifts in the minds of managers and their way of managing. The concept of structural change to meet changing demands makes sense, but it is .not sufficient to assist organizations to become more flexible and adaptable.Often the corporate culture serves as a barrier against achieving a changed or more streamlined structure, or it may even defeat the intentions of structural change. There is a growing awareness that cultural norms, values, rituals and behaviours are key factors which can either advance or retard an organization's efforts to deal with change imperatives. If the corporate culture is not compatible with new business strategies, then hopes for successful adaptation can be weak.

Experience has shown that no matter what future direction executives choose for a firm, they have little choice but to start from the existing realities and to use current organizational culture, skills and commitment to achieve new objectives. Instead of ignoring or trying to change the basic roots of the organization culture, managers should know how to improve, adapt or exploit these roots in processes of achieving changed cultures.

In order to build an internal capacity to deal with change, managers must also re-evaluate their own values, norms, assumptions and plans in terms of the strategic, structural and cultural realities and future plans of the organization. Managers must be capable of assessing situations creatively and quickly. They must be flexible in adjusting their decision-making to meet the requirements of the circumstances. In communicating, managers must be particularly capable of creating new meaning (making new "sense") for others on the implications of change and how to deal with change. As communicators at all levels of functioning, managers must be capable of scanning and interpreting the internal and external environments of their organizations in order to establish a strategic vision and plan which will guide their organization in a new direction.

Managers function as critical linchpins in the relaying of information and they must be capable of analysing information to determine, for instance, underlying norms, values and expectations which form the basis of organization culture. They must create new meaning from changing realities and evaluate, direct, and control communication processes to achieve change.

In addressing the complex topic of "Communicating in a Changing Organization Culture", I would like to structure my presentation around the following issues:

- **What is organization culture?**
- **The implications of a changing culture.**
- **Communicating in a changing culture.**

As a point of departure, I wish to emphasize the role of management in communication and culture-change issues, because managers manage organizations and play a crucial role in creating, maintaining and adapting organization cultures.

ORGANIZATION CULTURE

Organizations can be defined in different ways, but in essence an organization is accepted as being a social, dynamic systemic whole, continually interacting with its environment and aiming at structuring means and ends in such a manner that certain end results are achieved.

Changing organization structures will have an effect on existing processes, procedures, even products, and it clearly will have an effect on people and issues like group effectiveness. It is a fallacy to expect that a change in structure will ensure greater effectiveness of an organization. What tends to happen is that structural change which does not take into account the implications of such change on the organization culture, seldom is effective.

The concept of organization culture is not merely a buzz word, but has generally been accepted as a concrete reality which needs to be managed, particularly in times of change.

Success in a business is often seen to be determined only by management skills, or visible issues like the strategy, structure, processes and procedures of an organization. **To understand what makes an organization successful, however, also requires awareness of less visible issues like organization culture and the relevance of such culture in dealing with new challenges.**

Many companies have experienced that they can devise new strategies that make sense from a structural, financial, product or marketing point of view. These strategies, however, cannot always be implemented easily and effectively because they may require assumptions, values and ways of working that differ from prior assumptions and values held in the organization. Assumptions and values are learned responses to an organization's (or group's) problems of survival in its external environment and its problems of internal integration. Such assumptions and values tend - over time - to be taken for granted as the correct way of doing things because they solve problems that are encountered.

A "culture" or a way of doing things, is thus established. An **organization culture** therefore can be accepted as being **a pattern of basic assumptions that have worked well enough to be considered valid.** This culture is then taught to new members as the correct way to perceive, think and feel in relation to such problems (Schein, 1990).

When an organization faces change, the manner in which managers have to deal with it may require the creation of new norms, values and work procedures. In the process of introducing new approaches, existing cultural values may be enhanced or a difference between the existing cultural values and expected new cultural values may be created.

Culture provides meaning, direction and mobilization of human effort towards achieving organization objectives. However, when new circumstances require change in the objectives to be achieved, then the energy of the existing culture can pressure members to persist in the types of behaviour that may have worked well in the past, but which may be dysfunctional in dealing with present realities. A gap can develop between the habitual, unquestioning way of doing things and the required new way of doing things. The organization, instead of adapting and becoming flexible in adjusting to a new way of functioning, then falls into a process of resistance to change and in this process its culture can become dysfunctional.

Typical of a **dysfunctional culture** is the building of protective barriers around work units, and people playing it safe. The same old practices and procedures are applied notwithstanding evidence that these no longer work. Reasons for not wanting to do things differently or not wanting to share information, relate to anxieties experienced by employees due to a culture which is no longer in line with how things were traditionally expected to be done. An adaptive culture requires that employees feel free to take risks, and situations exist where employees trust and support each other's efforts in identifying problems and arriving at new solutions.

If there is a strong sense of community and loyalty between employees, with cohesive pressures on each member to identify with the organization's mission, objectives and cultural norms, then employee performance will be high and the organization culture can be said to be adaptive. Alternatively, if employees form a disjointed group, with mediocre performance, then specific efforts to enhance performance is required through development aimed at ensuring group/employee acceptance of the organization's mission and objectives and, as a consequence, cultural norms and values. Consistently low performance, low morale and resistance also occur when norms endorsed by a highly cohesive group oppose the given organizational goals and objectives. One way of adapting organization culture is therefore to manage its norms and values. This requires effective communication which is relevant to the needs of circumstances.

Managers are the key actors in linking effort, means and objectives in the most effective way in a given organization context. They must therefore be capable of making sense out of the implications of change on the traditional way of doing things. Managers, in times of change, must create new "meaning" related to the implications of change and how objectives could be achieved, irrespective of changes that occur.

An organization's culture, however, cannot easily be manipulated or changed by managers because, through a process of filtering and socialization managers are themselves controlled by the way things are done in the organization through his/her own way of thinking, feeling, communicating and behaving.

IMPLICATIONS OF CHANGING ORGANIZATION CULTURES

Creating long-term cultural change processes and programmes require the development of changing insights, attitudes, values and behaviours. This involves **communication**. A core requirement for all managers and managerial work is always effective communication because a manager serves as an information processor within an organizational system. The manager collects information, filters and monitors it and uses it to plan, organize, control and lead employees in performing activities aimed at improved productive performance. In order to generate and distribute information, a manager needs **relevant and adequate communication skills**. Skill is also needed in the techniques of leadership, motivation, delegation, influencing, negotiation, problem-solving and decision-making in order to create a climate of trust and support. To obtain the required information a manager therefore needs to develop interpersonal skills.

Managers also need to understand the implications of what constitutes competent job functioning within the workplace and the criteria of an organization's effectiveness in the context of a wider environment. Managers also need to know which norms guide in creating the organization culture and which of these norms could, based on change requirements, result in the organization becoming either adaptive or stagnant. Such norms could relate to:

- role expectations
- tasks/role responsibilities
- people issues
- organization power issues.

Generally speaking, **culture gaps** (or changes in the organization culture) become evident as:

- an unwillingness by employees to adopt new or altered work methods;
- a lack of support for programmes to change or improve quality, service and productivity;

- lip service when changes in strategic directions are required;
- efforts to maintain the status quo at all costs.

The answers to these problems are generally found in **better communication aimed at motivating employees to become committed.** Research and experience show that without a supportive culture, top-down efforts to change often fail and such failure is often not for lack of communication, but because of a lack of correct communication.

Any reshaping of an organization has an influence on the "mind-set" of people - their expected, traditional way of thinking and behaving. And change generally results in resistance by employees. Only when those affected by change feel a need to adapt; encourage each other to adapt; and can see the values of adapting (determining what could be in it for them), can change interventions become successful. Such changed behaviour, however, requires that communication aims at enhancing processes of learning within the organization. It requires insight into the norms, values and expectations which can create a mismatch between traditional workplace realities and expected change realities. It requires addressing the potential mismatch between intentions and actual happenings. Managers need to develop skills to coordinate organization and implementation strategies with human behaviour as it relates to intentions and actions, and develop communication strategies to ensure openness and cooperation.

What does this mean? Most organizations, as part of their culture, develop specific ways of communicating. Often the processes of communication serve to convey information in a manner which Argyris (1989) calls processes of "mutual defensiveness". Organization defensiveness routines often have the purpose of not upsetting others, of not making trouble. Telling the truth is discouraged because it can be threatening to others. Questioning the behaviour of others is not acceptable because it may cause embarrassment or reflect negatively on the questioner. Organizations, as we have stated, develop commonly accepted procedures of doing things. Their culture and behaviour, in certain ways, is taken for granted. However, if change requires questioning the existing culture, then resistance can take the form of behaving as though nothing has changed. Embarrassing or threatening situations are avoided by not discussing problems. Such defensive approaches result in protection of the given and an unwillingness to learn anything new. By focusing on performing for ensuring one's own security or for someone else's approval or cooperation, a condition is created which decreases organization adaptability. Change, however, may require a new way of looking at the known and it may require a new way of communicating and managing.

COMMUNICATING IN CHANGING ORGANIZATION CULTURES

Generally speaking, organization cultures are seen to be:

- So obvious that they can be sensed by anyone entering the door of the firm (e.g. slogans like "customer satisfaction"), or
- So elusive that they can only be revealed after extensive and in-depth studies.

In fact it seems that identification of organization culture falls somewhere between these two perspectives.

In addressing culture change issues in an organization, then it is of value to identify the nature of the following issues:

- company rites and rituals (e.g. ceremonies)
- company myths and legends (e.g. traditional heroes)
- company stories, symbols and language (e.g. parties, words, pictures).

These issues can, for instance, serve to indicate whether the organization culture is traditional and group related, or whether it is en individualistic culture with norms related to self-service.

Assessment is also required of a more precise picture of existing norm and value patterns within the organization to guide in strategies which could assist in dealing with change. Such assessment requires "upward" communication by means of surveys. Employees can, with directed effort, indicate the kind of influence they wish to exert in dealing with a changing work environment. If these efforts can be uncovered and confronted, then objectives, related to changed norms and values, can be established and communicated. Issues which relate to organization culture and which can be identified are, for instance:

- Performance facilitation/personal growth opportunities
- Communication issues
- Leader/Subordinate interaction issues
- Person/Task relationships
- Policies and Procedures
- Openness and Confrontation
- Supportiveness Climate.

Insight into how employees perceive the existing culture and assessment of the nature of change required can guide managers in more effective identification of prioritization and communicating for change.

Communicating in a changing organization culture thus requires:

- analysis of the existing and desired culture
- identifying priorities for change (e.g. trust, communication, freedom to perform)
- determining change interventions (leadership, group, programmes, policies, procedures)
- addressing the targets of change (values, attitudes, knowledge) by communicating new knowledge and identifying new behaviours required.

Implementation of change, however, must always be seen as a process. Continued interaction between superiors, subordinates and peers is required to guide in the creation of a new organization culture. Effectiveness in achieving change requires:

- increased individual and group contact and communication
- increased explanation of the what, why, when, how, where implications of change
- active listening and empathy; responding to rumours rather than ignoring them
- checking for understanding of change implications
- outlining specific assignments, timetables, follow-up issues
- involvement, where possible, of all concerned in planning the implementation of the steps of change
- encouragement and openness in communication - even of bad news

- assistance and reward for changed behaviour
- providing training, education and reflection skills necessary for employees to function in new roles and responsibilities.

CONCLUSION

Many effective strategies to guide organizations in change processes never achieve the intended results. One reason for this is that new insights and initiatives often conflict with the established mind-sets of managers and employees based on the culture of the organization. In this respect systems designed for change, that do not take into account the implications of employee motivation to achieve change, will only achieve partial success.

The challenges facing managers as leaders in a changing world relate to skills aimed at building a new and shared vision of the future; guiding employees in accepting the new and assisting them in their development and designing new core values aimed at meeting a common purpose.

Sharing information is therefore an important means of increasing an organization's capabilities. Communication, now more than ever before, becomes an important lever for change. But then communication must not become a process of teaching, it must become a vehicle for knowing. Communication must serve as a vehicle for interactive growth and commitment by all employees in making new visions a reality.

DISCUSSION

Question

A case study is requested.

Answer

Let's say we have a service organization, which has a history of service excellence. On a strong basis of subsidization by external resources, it also has a structure of a head office and a subsidiary office. It has a strong culture of formal communication - downward, not upward, communication.

It has a culture of product excellence but it is accepted that no questions are asked because those in power know and decide - the rest of personnel merely obey. Now it is apparent that the product of the past is no longer acceptable. It also becomes clear that because subsidies are slowly being withdrawn, financial and economic viability becomes an important issue for this organization. Either it survives, or it does not.

It becomes quite clear that in terms of the skills needed there must be recruitment of people of colour. There is a tremendous amount of political gamesmanship taking place within the organization, so it must change its thinking on PEST (political, economical, social and technological issues). What does the organization decide to do in order to deal with this change?

The answer could well be to restructure. Restructuring is planned in terms of products, services, head office, unit offices and levels of responsibility. The next issue would usually relate to changes in some of the services/products. Let's assume, for instance, that one of the services to undergo change would be the free family crisis counselling offered to customers. Owing to economic conditions in the organization this service must be paid for by customers. Employees must thus learn new marketing skills. Changing the marketing strategy could be the next step, which may result in new market initiatives. The message now would be "This is the new us - this is the new way in which we can be of service to you". The organization will then lobby for customers and advertise its services in the press, newsletters and on TV. Employees will be told to change their behaviour and become proficient in customer relations by giving value-related service, but at a cost to the customer.

In the process of change it must be accepted that the culture will remain the same. It is possible that restructuring may result in retrenchment, but this is not communicated to employees because if they are told this they may not be motivated to change. This emphasizes the importance for managers to be accepted as credible and trustworthy. Possible product change, may necessitate the retraining of employees. Owing to poor economic conditions, no money is available for retraining.

The product and marketing strategy will require new communication skills as a result of the marketing department canvassing clients and obtaining orders for services and products. These orders are being taken irrespective of the skills, time and people available.

Within the organization communication consists of formal communication through newsletters and press releases. Groups in the organization are addressed and videos are made. Work groups are brought in to share thoughts with top management in terms of future happenings. Typically, there is a need to translate top management's visions into practical, workplace realities. This is middle management's task but often these managers do not know how to do the translation and they resist the change. To get people to change, a lot of activity takes place such as management briefings, social get-togethers and early morning coffee chats. Owing to a lack of knowledge of what needs to be changed it is assumed that employees will automatically change overnight. This does not happen! In the process, however, a strong resistance to management, management's vision and management's thinking takes place. A culture of resistance and turbulence begins to develop within the organization. The more a culture of turbulence develops, the less middle management knows how to deal with it. Middle management must ensure that change interventions succeed.

Culture can be defined as the total of the inherited ideas, beliefs, values and knowledge which constitute the shared bases of social action (Collins English Dictionary, 1986). There is a need in times of change for synchronization between what worked in the past and what is needed in the future. For this to succeed, analysis is required. It is necessary to determine, for instance, whether the culture:

- that was task-oriented now needs to be person-oriented;
- that was a closed system now needs to be an open system;
- had a results orientation rather than a process orientation;
- had a tight or a loose orientation.

These are all different dimensions of culture, according to which given norms and expected new norms can be evaluated in terms of a vision of the future, and important issues that need to be addressed in terms of priorities. A manager needs these insights in order to close the gap between past and present norms, values, expectations and traditions that were of value but which now need adaptation.

One tends to find certain culture values when entering an organization. One organization visited started greeting each other in much the same way as Africans greet friends. This was never done in the past. This organization had decided to create a new culture. This did not necessarily mean changes in employees, attitudes or values regarding Africans taking place. It could be a norm, but it could also be a gesture and not a new reality. A new mental attitude needs to be developed among employees which requires specific communication inputs. A culture of trust and integrity must be created in which employees will accept management's credibility. A manager should be likened to a captain of a ship, guiding an organization (his craft) through turbulent tides, knowing that the environment is difficult to manage, and trying to keep the crew from mutiny because of lack of knowledge and new insights.

Question

Listening to your case study, I detected that it was a very sick organization. The impression I got from the factors that you outlined, was that the organization had become completely estranged from its environment. Then comes the question: "At what stage do you decide that an organization can be reformed or whether it must be replaced?" In other words, those values are so foreign to the organization that it may be better to close the shop and open a new organization.

Answer

It is interesting - as I spoke about this organization, I could see quite a number of people identifying with a very sick organization. So I think we have a couple of very sick organizations in South Africa at present. The question is: "Should we close shop, or should we start again?" Remember, I said this was a service organization. And a service organization can be of tremendous value in terms of, let us say, marriage counselling, or counselling in terms of AIDS, or a hospice kind of organization. And the question is, must you shut it, because if this is done, you leave a gap in terms of a service that is required. What is actually needed, is to ensure that a dramatic change can take place. But you can't change overnight. It is then important to determine: "If our service is of value, why is it of value? What skills do we have? What basically keeps us from being effective?" This requires a process of change. We tend to find, however, that very often organizations wait until crises are upon them, and then they find it difficult to change, particularly to change employees' mental sets.

Question

The problem that I have with this "change", "restructuring", in terms of certain skills, is that often certain people tend to prefer working in certain environments because they feel comfortable there. How can we get them to change?

Answer

We know that people tend to congregate in the kind of environment where they feel comfortable. And we all tend to develop a kind of a comfort zone in our workplace, and tend to be happy just to flow on to retirement. Now comes change. And this is where I personally feel (if one looks at what is being required of management, even from junior level) that management not only needs to ensure that the work gets done, but also to create an environment within which its subordinates can grow. You should know who they are. When there is a crisis, you know that certain persons will find it extremely difficult to change. However, others can cope with change and if they can be assisted to do so, they can create a new subculture, where they take those who find it more difficult to change with them in learning new behaviours. So it comes back to management and managerial skills. In a countrywide survey we found that very few organizations look at management development in these perspectives. We are taught to plan, organize, control, communicate and make decisions in a certain way. We are not trained to deal with the realities of change effectively.

Question

The other problem, of course, is that a change in culture does not take place systematically. You emphasized that although change may have taken place at the top, the bottom may not have received the right messages, that type of thing. But even on the same level, you might have managers on exactly the same level, some working on the assumptions of the old culture and *others working on the assumptions of the new culture. The change-over process is enormously traumatic.*

Answer

Yes, I think it is important to realize that change is traumatic. What we need to do is to realize that when it comes to dealing with change, we all go through a resistance curve. We deny, we resist, then we start exploring, before we become committed again. And what one tends to find very often, is at top level, those people have gone through the denial and resistance stages, and are now already in the exploring and commitment stage, and by the time they indicate this to the rest of the organization the rest start with the denial stage. So they do not want to change. We also know that different people go through these stages in different ways. Some personalities tend to go through them perhaps a little quicker than others. And that is why we emphasize the need for focus groups at different levels, so that employees can share their anxieties with one another. The only problem is that very often we have a culture where trust and openness is not at all evident, and group interaction is not emphasized. But group interaction is important, particularly in dealing with change.

Question

How can we assist people to adjust to change? Some may change but there may still be people who obviously find it easier to do their jobs in the old way. The realization seems to be that a performance appraisal system may be needed and behaviours assessed with reward given for changed behaviour.

Answer

It is important that in times of change there is reward for changed behaviour. I must admit I personally hate change. I think the older you get, the less you like to deal with change. Because, after all, it is such an effort to be different from what you used to be. But assessment of the nature of changed behaviour required and reward for successful change is necessary.

Question

P E S T (political, economic, social and technological issues). If the economic or political scenario forces you to make rapid changes, but the original top of the triangle's managers is so old and established in their thinking patterns that they cannot change; if you now replace a few of their key areas, e.g. the head of manpower, will the entire organization not disintegrate?

Answer

Yes, it often happens in bureaucratic structures, tremendously formalized organizations which have to adapt to change, that top people do not want to adapt. Many of those top people will now be "floating around" for the next two or three years up to retirement. An important element to look at, ideally, is that management, or a person with authority, will look at the core elements that need to be changed, and what the implication of such change will be at senior level. We found, for example, that there are often middle-level personnel in organizations who want to change but they want to wait for the top level to tell them they are allowed to change. And what we have found is that if they then go through a development process, a training process where personnel obtain clarity on what is possible and desirable for them and what needs to be done, in other words when priorities are determined, that they, who are in the middle, set a process in motion by acting virtually as a yeast for change to begin.

Question

If a communication division, which in fact has to act as an agent for change, has not been informed about / does not know how to play organization politics; does not know how to form coalitions, it is a problem to find out whom you can push and when and at what time. You can find persons who present themselves as being in favour of change: "I am quite prepared to change and to accept this new culture". But the moment you begin with decisions that are taken to implement it, you get resistance. For me, as a communication expert, overcoming that resistance is a problem.

Answer

What is important, is that one should learn to read the political position within an organization. And in the process one should be able to read what is happening within the organization and try and determine who the primary role players are. Who is it that I have to influence? Because, if I am influenced at a certain level because he or she is well-disposed towards me, I find myself in a dead end. People like to be friendly, but not to make trouble. Therefore, I should know whom I can trust, whom I can involve and how I should involve these people.

Question

The scenario that you sketched is where top management is absolutely committed to the new culture, but this has not gone through to middle-management levels. Top management then communicates one thing to the staff, but in the staff's normal daily lives middle-management actually does something else. This can affect perceptions of the integrity of top management.

Answer

It could be that communication is not very effective but it is also possible that top management is committed to a new way of doing things but not necessarily to a new culture. It is also possible that middle-level management is confronted by the possibility of doing what they want to do because there are several provisional cultural values which relate to the expected leadership and cultural norms coming from above. Clarity of communication is essential in terms of changing organizational cultures.

Question

What kind of approach should a top management - which is identifying a new corporate climate and culture - use in trying to find out whether the corporation as a whole share their views? Take into consideration that the particular corporation has a diversified group of people working for them.

Answer

There are two ways in doing this. If one looks at top management, they have to determine that if they need strategic change, then they have to determine what it is that they want to achieve and what keeps them from getting there. Part of how this can be done is through surveys, interviews, group consultations, and a variety of focus group interventions. But then to be able to interpret the relevance of this information, management must be able to identify what change they require and how to intervene to ensure that such change does occur.

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6

PARTICIPATIVE COMMUNICATION DIAGNOSIS AND STRATEGY

EMILY FOURIE

SECRETARY-GENERAL, PROFESSIONAL TRANSPORT WORKERS UNION

I am not going to approach this address from an academic angle. I hope that I can talk to you on the more practical issues, being involved with the shop floor and the worker. I don't profess to know it all, but I am daily in contact with workers, and I must add that 99% of the members in our union are black people. So I have an idea of their aspirations and how they think. I represent them at industrial council level, I negotiate wages at plant level and I serve on committees where we deal with law enforcement and dispute settlement. I have an idea of what the worker wants, and experience of the problems that we encounter in this communication process. That is what I want to highlight this afternoon.

When I first became involved in the trade union movement, in the period from 1964 to 1972, we had mainly white employees as members of the Union, because the transport industry was a white-orientated industry at that stage. It has now changed drastically. It moved from white to half-coloured, and then eventually to a point where it was mainly a black industry. Listening to the other speakers, I was pleasantly surprised and encouraged to hear that it is not only the trade unions that recognize the need for communication and the identification of problems, but that management is also addressing these issues. How effectively or how keen they are, that is obviously something that we need to debate. You will understand that I am a little agitated because we seem to be merely saying well, we need to **identify** a lot of problems. We need to **address** a lot of issues. And yes, we have to. There are no two ways about it.

Ladies and gentlemen, it must be understood that we have basically run out of time. We as the workers, and I identify with them, want to make it clear to management that, while we agree that there has to be change, it has to be more rapid than they anticipate. Management will have to get off their rusty dusties and get down to the basics, if they wish to run their companies effectively. At the end of the day they will have to meet the aspirations of the workers. The trade unions have reluctantly been playing the role of communicators. It is about time that management wake up and realise that they need to communicate with their own work force. There are other tasks that we see ourselves involved in and that would entail enriching and enhancing the conditions of employment of our workers. However, there are a number of factors that have an effect on communication, and the purpose of my address this afternoon is to highlight and point those factors out to you.

FACTORS EFFECTING ORGANIZATIONAL COMMUNICATION

Now we have heard that communication must be **participative** and that both parties must have an opportunity to speak and listen freely. People want to give voice to all the things that affect their lives and I don't think that this can be stressed enough. I think that this is going to be the most important issue: the work force wants to be heard. They want people to listen. It is not going to help to merely pay lip service to this and say yes, I am hearing what you say, and in fact nothing is being done about it. It is a fact that management make decisions and pass information and instructions down for implementation. In 99% of the cases, without prior consultation, or any form of discussion with the work force or their representative. I know that there are exceptions to the rule and I hope that you will understand that what I am saying here this afternoon, is subject to generalization.

We are not only looking at the larger companies, but also addressing the smaller companies, where we often find the **major breakdowns in communication**. Just to give an example. Last week I was called to a company in Durban. There was a labour unrest because the lady in the canteen had been notified that they would have to retrench her, and no valid reasons were given. I went to Durban, declared a dispute, and in our discussion with management, the following was said: "Well, Ms Fourie, the canteen has not been supported by the work force and in our opinion you can't expect us to pay a person to come in every day when in fact we don't have a job for her." I said: "Well, what is the reason? You have had this canteen for many years. Why is it that the work force now suddenly stopped supporting this canteen?"

Let me explain to you what happened in the past: the workers would come in each morning to enjoy a breakfast and the lady would also pack sandwiches for them. Some would pay by cash, but they also had the option of signing in a book, and at the end of the month the book was handed in and the lady in the office would calculate what each person owed and this amount would then be deducted from the relevant worker's wage. During the November and December period there had been a change in the internal structure and the person who was supposed to attend to this had not. So, towards the end of December or early January, the management realised that there was a couple of thousand rand outstanding from canteen moneys. So what they did at the end of January, without discussing it with anyone, was to deduct all the money - November, December and January's canteen money. Then management said that the old arrangement had ceased to exist and that the workers were now on a coupon system. As from the following day, they could come and buy coupons. Management then also said that they had discovered that there had been no price increases since 1989, and that all prices had to be doubled - so, 100% increase.

Naturally, the workers then resisted buying food, and not because they intended jeopardizing the lady's job. In fact, they were extremely fond of her. They acted as they did because of the unilateral decision taken by management. This could have been overcome had there been communication. The workers said: "Ms Fourie, we didn't have a problem. We know that we owe the money and we would have paid it. But they took it off in one lump sum." Some workers said that they didn't realise that the deductions weren't taken off, because they only eat for R20 a month and so they didn't notice that it hadn't been taken off their pay.

We now sit with the dilemma, and management is accusing the workers and the trade union of being unreasonable. Firstly, because we said: "You will scrap the new prices and go back to the old prices". And secondly, we don't want the coupon system. Management, on the other hand, are now digging in their heals. So it means a dispute which will go to the conciliation board, which will hopefully sit by early next year. In the meantime the lady is going to be retrenched. And the workers, because they are going out hungry in the morning are now stopping their trucks on the road every day to buy food. This is an organization that carries large amounts of cash from banks to companies, and management have now complicated things for themselves. But they won't see it that way.

I suggest that the majority of unfair labour practice cases that reach the industrial court could have been resolved, had there been better communication.

We have earlier agreed that communication must be a **two-way street**, but I wish to add that it must move more **swiftly**. I heard this morning from Mr Pretorius that in Toyota they indeed have this two-way communication going. But what we omitted to ask him, was about the relative speeds at which this occurs. In my experience, yes, in a lot of companies communication is a two-way street, but you will find that from the top down they can exceed the speed limit. Information can travel at 22 km an hour. And yet, let the work force just try and communicate a problem upwards, and we find that there are all sorts of obstacles. In fact, it is an obstacle course. And sometimes, halfway down the road, the workers throw their hands up in disgust and say: "It's not worth it - let's just forget it." And a problem that might have been minor at that stage, that could have been resolved, in fact later on becomes a major issue and we discover that there is labour unrest.

As mentioned before, when management decides to have an instruction implemented, it merely informs the supervisor or the worker representative, or places a memo on the notice board. However, when the workers wish to see changes or grievances resolved, it can take a long time. I particularly wish to refer here to recognition agreements, and I think that this is something that management, the unions, and the workers need to address. We are looking at grievance procedures, not merely at grievances. I realize that we are talking of possible ways of communicating and of having an input, but these are procedures that are extremely lengthy and it frustrates the worker at the end of the day. I have no doubts that black workers see communication structures as obstacles. We need to address those structures. We need to say: "What are we going to do about those structures?" We have had considerable input here this morning, and I am going to make some suggestions at the end of my talk. I'm not going to labour the point. I think the message is very clear. Mr Pretorius have examples in his company that I think were excellent and Dr Van Rooyen also touched on those issues. But we need to identify how we are going to change, and how the structures should be. I want to add that structures can be the same throughout, but that it would depend on the company, on the culture, as mentioned before.

Another issue that we need to understand is that communication is affected by human behaviour. Because communication takes place between people, it is subject to all the human influences that condition human behaviour. It is therefore vitally **important for management in particular to project an attitude of trust and respect** in their work force.

That was mentioned this morning, and it is very clear that we need to address that. It's difficult for people to listen to your view if they distrust you. And whether we like it or not, at the present moment our black workers do not trust management. It is the bottom line. We forced them into a social situation they are not keen to be in. Again, at the risk of generalizing, they don't understand the free enterprise system and therefore, everything that management does is viewed with suspicion. Management will need to address that and keep working at it. There is no magic wand that we can wave overnight to suddenly resolve these issues. Management will really have to prove themselves to the work force and when they make statements, they will have to see that it is carried out. We are concerned here with a mutual lack of understanding and the education of our work force. And whatever is expected of the work force, management will need to set the example. There must be **credibility**. There are no two ways about this.

A classic example: the manager goes out to the workers and says: "guys, we need to save costs. We are in trouble financially and if we are going to make this company viable, we now need to address costs. Everybody must now please tighten the belts." Yet a week later, the manager will drive in with a fancy Mercedes Benz. The workers will not understand that he ordered that Mercedes Benz eight months ago. They will see that Mercedes Benz and say: "Why should we be the only ones to cut cost?"

We have had examples where workers have deliberately ruined their protective clothing. They have damaged the boots supplied to them, they have deliberately ripped their overalls, and when we address this and ask: "but why are you doing this?" they say: "because we see new office furniture being bought, the managers are all driving new cars. We have nothing, so at least we are going to ensure that we get new overalls." I know management don't always understand this, particularly top management, who are far removed from the work place. I sympathize with management and I understand their predicament, because at the end of the day I am also a white, privileged person. However, I also understand how my black colleague feels - I know where he lives, how he lives, as mentioned this morning. What happened to him on the way to work this morning? That might have determined his mood. I'm happy, I walk in this morning and I want to shake his hand and say: "How's it, nice day!" But he is abrupt because he has just seen somebody killed or people thrown off the train. And those are the realities that we need to face and that we need to address. Management need to be aware where their workers are coming from, who they are, what they are. This morning it was mentioned that we need to know what the employee's level of education is. You certainly need to address that before you can effectively communicate with your workers. Because it won't help to communicate on a level that is beyond them.

The other issue that was mentioned this morning is that you must **let your workers understand where the company is going.** What is the vision of top management? Are we going to stay a small company or do we visualise ourselves as a large corporation in the future? We may be only 40 people now, but next year we may want to have more depots, more branches. These are the things that are important and yes, I agree with Mr Pretorius when he spoke about communicating through newsletters and magazines. The workers are not interested in Tommy's fortieth birthday. They want to know about the future of their company. I want to highlight why I believe it is such an important issue. Most white workers or salaried staff are on pension and provident funds. We know that when we retire there is going to be something for us at the end of the day. It is not, let me assure you, the case in the majority of companies in South Africa. In fact, I am ashamed to admit that I am party to an industrial council who has been in existence for twenty years, and who only last year managed to get a provident fund implemented for our workers. So we are sitting with workers who have been in the industry for twenty years, some of them on the point of retirement, and there is nothing to offer them at the end of the day.

One of our general workers came to see me last year. He was one of those really humble old people - from the old school, as we call it. He said that he wanted to enquire about a few things. He had worked for a company for 43 years, and when the managing director passed away someone else took over the company. The company was moved to Sandton. The old man thought it would be a good time to retire, but because he specialises in the packing of laboratory equipment, the new company offered him a position and said: "Please come in and train our people. We will pay all your expenses", because he was living in Springs and this was now in Sandton. So, for three years, he commuted to and fro and yes, they compensated him for his transport. And then he said: "Look, I am now old, I really need to retire". He was well into his sixties, nearly seventies. He came to me and said he just wanted to come and find out whether the company should not give him a little card, or something, to say thank you for all the years of service - never mind the money, he didn't even get that. When I phoned the company and said: "Look, you've had this man working for you, he has 46 years service with the company," they said, "No, sorry, only 3 years. We don't recognise the other 43 years because we only took him over at that stage." They forgot, and I had to remind them, that when you take over a company you take over the assets as well as the liabilities. And in my opinion when they took him over, he was an asset. They however, merely saw him as a liability when he left.

We need to understand that there is an urgency. Workers want to know: "Where am I going, am I secure in this company?" The questions workers ask may seem unreasonable to management. I am irritated when we go into meetings where communication is formally structured. We have a recognition agreement, and we have our meetings on the last Friday of every month. We have to submit our agenda within five days before the meeting.

I am not saying that I am against the system or that I want to buck the system. But in my view the real issues fall by the way side because we are so caught up in formalities. I want to quote: **"...that far too much attention is paid to doing things the right way, rather than doing the right things."** We get to the meeting and we have an agenda to follow. One or two issues become sticky and we need more time to address those problems. The chairman is checking his watch and saying: "We have got to move on, time is running out."

The workers become frustrated. Ultimately, they say it is not going to help them to try and convince management of the need to talk. And I know. I have had to learn that lesson when I was organising out in the field - when I go and address black workers, after hours, or after work on a Saturday morning, they can have an indaba for the whole day. We might only have three issues to discuss, but they want to discuss them thoroughly and each person wants to have his say. And you know, we have become so sophisticated that we don't give people the opportunity to talk. I think that is why we find ourselves in the dilemma that we are in. And in South Africa, we need to talk. We are not in a first world country. We like to think that we are, but we are not. In order to bridge those gaps that have been created over many years, we are going to have to say we need to listen to the other party. We know that we are going to have to give them that time.

During negotiations between management and the work force, you will have an equal number of employers on one side and an equal number of employees on the other. Now we come to address the issue of who will be chairman. And I suggest: "Let us work it this way - the chairman is to be elected by the committee". And most employers want to pass out at this point. "But how can you possibly put a worker in the chair? This is management's role, Ms Fourie. Are you trying to run our company? May we refer you to clause whatever, right in the beginning of the recognition agreement, that says management will have the right to manage their companies."

But what we are saying is: "We don't want to manage your companies. However, treat us as equals when it comes to certain decision-making. We have an input, and whether we are educated or not, we believe that each and every employee in a company has something worthwhile to contribute. Even if it is only to tell you that there is a better way to hold that broom, or that you can design that broom differently. The worker has an input, and if we don't give him an opportunity to voice his opinion, we stifle growth and productivity.

It is important to recognise that **communication is a means of improving human relations, and not solely a means of getting things done.** Most companies will tell you that they communicate well with their workers, that they have the proper structures, that meetings are held once a month, and yet, as I have mentioned before, wait and see how agitated management becomes when the meetings drag on for longer than they anticipated.

In your larger companies, you will find established structures of communication. Your smaller companies, on the other hand, have an open door policy. The guy will say: "No, it's fine, we don't have to hold formal meetings, the workers know they can come in any time and discuss their problems. I know his wife's name, I know his children, the lot. But we need to move away from this paternalistic system. I'm not knocking the open door policy. I know the smaller companies consider this to be the ideal situation and they wish to remain there. But you will find that with such an informal situation there is often a lot of talking going while little gets done. So yes, you also need some structure in the smaller company. It might not have to be so absolutely streamlined as your larger company would like to see it done, but **there has to be a procedure.** In other words, a worker must know that when he has spoken to management about a certain issue, he will have some feedback within a day or two. Yes, they accept my proposal, they hear my grievance, or whatever, and I know where to go from here.

I want to say that as I see it, what is required of effective communication is that there must be an **earnest and honest desire to communicate;** an urge to learn and to listen with understanding. It is not going to help if we rush out there, and call their work force together tomorrow and say: "From now on, we are going to communicate". We don't really believe that in our hearts. You have to be convinced that this is the only way that your company is going to operate effectively. Communication should be participative and democratic not only in words, but also in deeds. And all workers must be drawn into the communication system. Right down to the sweeper -

because he also has an input. I know that management finds it difficult to believe that because they have decided he is not schooled, that he doesn't speak the same language as they do and as a result, they see him as a sweeper for the rest of his life. But it need not be this way. Allow him to talk to you, to tell you what he thinks about the place, how he would like to see things change around the workplace and you will find that when people are involved they become excited about what they are doing. I know I have mentioned this before and quite frankly, it is a sing-song that I hear every day, because we keep on asking for more money and management keep saying we need more productivity. But we are saying that productivity is not going to happen overnight. We first need to change our environment. We need to change attitudes, and while we're talking about attitudes, that is one thing which is not going to happen overnight. We should rather try changing people's behaviour in certain circumstances.

We talked about workers and their need to be educated. I am not referring to literacy programmes or the development of work related skills, but **how we operate**. You know, management are always so afraid to tell us about what is happening at the top. These things are secret, because you know, our competitors might find out. They are going to find out in any case. They know more than you would like them to know. Involve the workers. Tell them where you are going. Tell them about the profits that you are making or not making.

I would like to give you my opinion on the reasons why we keep the workforce in the dark. It is because we have taken too big a slice of the cake for too long, and we are now reluctant to share it. And if management would only realise that if we get our workers involved the cake can grow, and that it is not necessarily true that management would have to take home a smaller slice of the cake. They can still take it home. But what we are saying, is that there can be more to share by all.

And then, of course, it is not only the workers that need to be educated. Dr Van Rooyen correctly pointed out that the problem area lies in the middle-management structure. That has been my experience through-out. Often when I'm totally frustrated in a situation I will by-pass middle management and I will phone the managing director and say: "Sir, I really need to see you, we have a major problem". I invariably find that they are not even aware of what is going on at the bottom and they are willing to assist. But the resistance to change lies in your middle management. I don't know whether it is because they are fearful that their own positions are threatened by the work force. The education must start with middle management and after all, they are the people that really have to pass down the communication from top management. That is where you find the delays - from the top down and from the bottom up. There must be more involvement from the shopfloor.

We have also heard rumours about retrenchment and without fail, every company I have been to where retrenchments have had to take place, the workers solely blame management for it. I was at a company last year where they retrenched workers. And the workers said: "Ms Fourie, we will not be retrenched. We will not!" The workers who were not being retrenched, said they will go on strike. "We will not allow our brothers to be retrenched." And I said: "Chaps, but management have clearly indicated that they can't afford all of you - they have shown us their figures - they have made losses." And they said: "Whose fault has that been? We want a meeting with management." And when we called management in, there were so many issues that were highlighted. They said: "Sir, when we collect waste bins, on that route, you only need one vehicle to go there each day. You have had four vehicles pass that one bin. You should have picked it up." Management said: "But why didn't you tell us?" And they said: "But we never had the opportunity. When we have come to you in the past with suggestions you have always said to us that it is management's prerogative to manage and you don't have to listen to what we have to say, and we have learnt to keep quiet and we have watched you squander the money, and now we are at the receiving end and we are not going to accept it." In fact, there was a great dispute on that issue and the workers eventually won the day. Head Office had to carry the losses in that particular depot, the workers remained intact. So, what I am saying to you, is: **"Talk to the people down at the bottom - they often have the answers."**

I am excited to see that things are happening in the larger companies, but it needs to filter through to every company in this country, and we need to urgently address that because we have, in fact, run out of time.

DISCUSSION

Question

In two cases where we did communication audits for large companies, we found that the middle management levels indicated that the workers don't want to suggest ways of doing things differently. Why is that?

Answer

I think if you analysed the situation further, you would probably find that there is a problem between the work force and middle management. Whatever that problem may be. There might have been hurt in the past. However, it has not been my experience in the companies where there is a good working relationship between management and the work force. In fact, they are very keen, and in our own industry, which is largely the transport industry, the workers are keen to be involved in committees and to see how they can prevent accidents from happening on the road. Driver participation in trying to prevent accidents actually contribute to changes in the road traffic legislation. They have already changed certain sections, and two that they are currently addressing include heavy vehicles on the road, and the control of driving hours. I was astonished, when I went out to the workers to get their opinion, to find how excited they became, and by the wonderful suggestions that they put forward.

Question

Could it be that employees feel they are pressurized for ideas, but that being able to contribute actually becomes a threat?

Answer

I think we must understand that if workers are going to participate, we first need to explain to them how they will be involved. It must be clear that management is not only going to pick their brains and then leave them back where they were. The message should be: "What we are going to do for you is going to enhance you. We are going to uplift you. It is all part of promoting you." They don't see that. They probably don't understand the purpose of the exercise. A case in point was this morning, when Mr Pretorius mentioned that some workers were reluctant to fill in the questionnaires. I can assure you, if you had to take that individual and ask him why he did not want to complete it, you will find that his understanding of why he is required to do it is totally different to management's real intentions. He will see it in a totally different way. And that is why your workers will show resistance.

We must understand that our black employees argue in a totally different way to what we think that they should. We must attribute this to cultural differences: their background and the way they think. I am not saying this because I want to run the person down or because I want to be negative, but one of our organisers who often travels with me in the car will frequently open the car window and simply throw out papers, or whatever. I have said to him before: "Please, don't do that. First of all, I can get a fine because you are littering, it is not allowed; and secondly, look at what you are doing to the environment." And he said: "No, I don't see it your way. That creates a job for somebody - somebody has to pick up that paper."

As ridiculously as it might seem to the rest of us, that is how he sees it. That is how he argues. This is just one example. If we had to analyse why we don't get input from workers, I think we will find that they don't understand why we want to involve them. Workers have, you must remember, been accustomed to the "you do as I say" attitude. "I am the boss and you are Klaas, and that is it." What is required of us is to say to them: "Let us show you that we want to involve you, and that it can only enhance your position".

Let me give you another example typical of the work force, upsetting an example as it may be. One particular employee rapidly moves through the ranks and becomes a supervisor. Yesterday he was their work mate, but now he is in a supervising position. And the workers just don't tolerate him. And we need to understand this. Some people say it is just jealousy, or this or that. But it is not. We need to address this problem. Talk to the workers, find out what it is. They feel that he has stepped over to the other side of the fence. As I mentioned earlier on, whether we want to accept it or not, this is the reality. At the moment we are sitting with a situation of the unions and workers versus management. And really, it is my desire to see us move away from a situation of "us against them." We are all in the boat together. I will admit that the unions may have overplayed their hands sometimes, for political reasons. It is easier for me as a white person to remain objective and say that we are going to be more moderate in our approach because we have a better understanding of the situation, but it is not always the case with the black trade unions. But we have seen some great changes and I am confident that now things are moving towards a situation where the unions will start playing a less prominent role in the political arena and concentrate more on the real issues; the wages and conditions of our workers.

Question

In addition to what you have said I know of cases where, for example, individuals have been involved in soliciting ideas informally from staff, and who never did anything to address their concerns. Now, if you carried out a formal survey, you can't expect them to give you any input. It's a case of: "When I gave you feedback in the past, you never did anything for us. And now you want this input from us - we are not going to participate."

Answer

Yes, that's right. I can give you more examples. For instance, say management decides that, as from tomorrow, the hours of work will change. the workers are no longer going to start at half past eight because we need everybody to come in at eight o'clock. You will find that there is no problem at getting that communicated down. It happens very fast. Memos go out, managers are called in in the morning and they come out saying that as from tomorrow morning things will work differently. In most of your labour legislation you only need to give 24 hours notice to effect changes in the conditions, unless otherwise described in an agreement. Management has everything at their disposal to get the communication down effectively to the work force. In other words, the wishes of management can be implemented almost immediately - be it by memo, newsletter, newsflash, or whatever.

However, when the worker wants to come along and say: "Sir, we have a proposal to make; we would prefer to start work at 9 o'clock and here are our reasons", then management will say: "First put it in writing to your supervisor." Then from your supervisor it may take another week before it reaches the manager of that particular section. And so it can struggle its way up the line until, a month later, the workers are all standing outside the gates and refuse to work, because they are upset about something that has happened. What I am saying is **the same communication that goes all the way down must go all the way up, along the same channels, and with the same urgency**. If the manager wants to get a word down to the sweeper, he can get it there within a matter of hours. But if that sweeper has a message to send up to management, it is not the case.

Within the last couple of weeks one of our shopstewards in New Castle was notified - I think it was on the Thursday - that on the following Monday he was to report in Port Shepstone to answer a charge. They set out a few charges and management undertook to see that his transport was paid. He had to get himself to Port Shepstone. A hearing was held and the very next day we had the results of the hearing. Our shopsteward was found guilty because he had pointed his finger at a fellow worker and said: "If you don't stop spreading rumours about me, I am going to sort you out." Management considers this as an assault and on this charge he was dismissed.

Yet, at the very same depot in New Castle, a week prior to this, during a meeting where management was addressing the work force, one of the workers said: "Sir, that person over there goes around threatening us with a knife", and the person in question in fact pulled the knife out in the presence of management. And I want to tell you, it is now six weeks down the line and we can't even get management to hold an enquiry. They are still pondering on whether they are prepared to hold an enquiry.

What I am trying to say to you is that it can't just work the one way; it has to work the other way too. Tomorrow, that same company will come along and say: "Chaps, now we are going to settle this communication thing. We are going to communicate with you effectively." Do you think for one moment that those workers are going to believe them? Not until they prove themselves and say: "We are going to listen to what you are saying and we are going to show you that we are going to react to that in the shortest possible time." I am not saying that they should implement every suggestion that they are going to get, but at least give the worker some feedback. Let him understand that what he has said has not fallen on deaf ears. And management must start listening. Listening and understanding. Workers have for far too long had the reverse experience, where they had to listen and carry out instructions and understand what management tried to communicate to them.

Question

How do you handle time limits? Say for instance 40 000 workers demand new uniforms, and management agrees. But on the other hand to satisfy everyone's taste is going to take a lot of time and discussion. How should one handle this to meet these two conflicting needs?

Answer

Well, first of all, it will depend on who sees the urgency. If the work force demands that by next week they want uniforms, then obviously they will have to understand that they can't go out and look at fifty thousand styles and colours, and whatever. If the pressure is from that end, then I am convinced they will be satisfied. They will come forward with a proposal. But far too often management will leave things in abeyance until there is a crisis situation and then the pressure is on. And I have found throughout that management do not communicate with the work force - they make a unilateral decision. "Since we are paying for those uniforms and the workers are not, we decide on the colour, everything." We have had a classic example recently where workers were given wonderful uniforms. They didn't like the colour (personally I like the colour) but it was a question of: "Here's your uniform." But these uniforms had mock pockets. The workers couldn't put pens, things that they needed to carry with them, into these uniforms. Management never consulted with the work force.

But I understand what you are saying. If there is an urgency, obviously you are going to have to cut corners. But then again, this needs to be communicated. You need to say to the work force: "Fine, we have a crisis situation. If we are going to use our normal procedures, and negotiate this issue, it will take at least two months. And we need to implement this within the next month. So we need to make a plan." And you will find that the workers won't have a problem with this approach. Time has never been a problem to the workers. Management are the time-conscious people. And I understand this. I have sympathy with them, because time means money. But if you address the issue with your worker representatives, you will find that because they are people who really are in touch with the work force down the line, you can implement issues more rapidly than simply laying down procedures.

Question

I would like to comment on something that you have said earlier about the attitude of middle management. I think that traditional companies are the least informed of all. Communication from management to hourly paid workers usually comes from top management, bypassing middle management. Your comments?

Answer

I had a classic example of this during a recent wage negotiation. The company concerned had a long service award ceremony and we heard that their top management, the directors, mingled with the work force. A director mentioned to our shopsteward that the company was thinking of giving a thirteenth cheque to everybody: "We are very pleased that the company made big profits and we want to thank you guys this year by looking at a thirteenth cheque." Now we get to the negotiating table. Since I have heard about the thirteenth cheque, I mentioned it. But they said: "We will give you a thirteenth cheque, that is 8% of the total wage package. Ms Fourie, you want a 20% increase of which 8% is taken care of, we will give you 12%." I then said: "But you can't do that, because the thirteenth cheque was promised." We then got into a dispute over this issue. But this was because the poor guy who was negotiating on management's behalf had not been informed, and the director, in his wisdom, had decided to pass that information down to the work force. I do agree with you that middle management is sometimes bypassed. That is why I am saying, we need to look at those people in middle management. They need to understand what is happening in the company, from the top down and also from the bottom upwards.

Comment (from the audiance)

I think the replies were a little off the point - I refer to middle management being a problem. I want to agree with that in some instances. In the companies that I have been in, I have seen that middle management often has a problem. Firstly, because they are not informed about changes. Secondly, the MD will often say something to you, but when he plays golf or has a drink with the guys after work, he says: "don't take this too seriously." I witnessed this at a company recently where I did a survey. The wage issue was a major problem. Walking across to a feedback session with the work force, the personnel officer says to me that he understands that wages are a problem but that the wages cannot be increased. Then he mentions that profits have to be increased. So, there is a greed factor in South Africa. I think this is a world-wide problem, but in South Africa it seems to have heightened over the last sanctions period.

People are after as much money as possible, instead of trying to redistribute the money made through productivity increases. They are crying that wage increases are impossible and yet they are publishing record profits. How is this possible if there is no money? I see this as top management's problem with middle management, in the sense that they are not bringing middle management into the process. Also, they aren't setting out reward systems to promote advancement. They are carrying on with the old system without even trying to break down the informal networks of communication, which are actually the real power structures in organizations. They are dealing with problems at a formal level, but they are not getting underneath the surface and breaking the structures by consulting across the line.

Answer

I certainly agree with you there. You mentioned profits. We have seen examples of this in our industrial council and we addressed it this year. We told management that it was crazy and we showed them their graphs. Every year we come to negotiate we find that suddenly, six months prior to negotiation, the economy has taken a slump. There is this incredible slump. Things were looking up but now they predict doom and gloom. However, next year you come along, and when they present you with a new graph you notice that during that period last year, when they showed a slump, there was in fact some growth. This leads one to suspect that they adjust their graphs to strengthen their hand in negotiations. And then, of course, they can't understand why we don't trust them when they tell us that they are not making profits.

7

ORGANIZATIONAL COMMUNICATION THROUGH EFFECTIVE ENVIRONMENTAL[*] MANAGEMENT[**]

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For the last ten years, while I was still working at the HSRC, I conducted surveys/investigations of staff perceptions and attitudes in organizations. The aim of these surveys was to get all the cards on the table and then to use groups consisting of top management, shop-floor workers, shop stewards, etc. (depending on the particulars of the company), to workshop these findings and develop actions and policies to deal with them. Now it is not always possible to get this done. You may be working for a client who is doing exactly what he wants to do, and does not want to take the risk. But we try and negotiate this during the first stages of the investigation.

First, I would like to give you some **background on the term "communication"**: What words are and what things mean. It will consist somewhat of a montage and I think that you should just try to relax into the flow of the montage. This exercise is aimed at stimulating ideas, and not intended as a clear answer to anything. I don't believe that we have ready answers - I think all we can do is raise questions and then, through dialogue, attempt to find appropriate answers. Because, I think, the more we claim expertise, the less we actually know. I think there's a lot of danger attached to our dependence on experts. With the consulting game you have a lot of carpet baggers coming in from England and America, with solutions of how you can cut your company down to proper size. They come here and analyse what people do, and then they say that this or that person is irrelevant so we'll cut down.

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[*] *The concept "environment" as used here, included both the physical and social environment.*

[**] *As this chapter formed part of a workshop it is given in colloquial form.*

I will give you an example from my previous organization. We had a woman working for us who, if you asked her what she did, you'd have had a hard time justifying her position. A little while ago, she died. And then it became clear to all of us what she actually did.

She had been the person who solved other people's problems. She acted as a grievance person, tried to cut through the red tape, etc. She had done that very well. When she died, it was suddenly realized that this woman actually held the place together. But before she died you wouldn't have known that. So I think it is very dangerous when the carpetbaggers of this world come in and tell you where to cut, because they assume that productivity will increase - but it may not. I have seen the results of this in many companies, where, six months later, they had to start rehiring the same people they had fired, because they found they couldn't cope without them. Organizations are organic wholes and it is not that simple to find out what each person does. Job descriptions and the like, are very overrated. They certainly have their purpose and function, but sometimes they are very overrated in what they claim they can do. I think part of our problem is summarized in the following quotation:

> "We have become obsessed with giving people technical
> education. We have been given tools that are so powerful
> that we think we can solve any problem that comes along.
> It's true, we could write an equation for a technical problem,
> but we can't write an equation when it comes to people."

The problem, as I see it, is the attempt to reduce political problems to technical solutions. For a political problem we need a political solution. That's really the key to what I am trying to say here today: That we can't believe in quick solutions. The question of time came up yesterday, when somebody asked: "What happens if you have to do something urgently and the workers first want to negotiate about it." I don't think one can do things urgently. Things are urgent, but you can't always do it immediately. One has to go through the processes in order to come out with a lasting solution. If you rush into a solution, it may not last. You may find, as we do with some organizations, that three years after a major restructuring, they have to restructure again.

Because they didn't do the restructuring very well in the first place. They didn't consult with people - they didn't find out what many people needed. Now, a guiding light that I have found in my own work, is Sun Tzu who, I think, tries to summarise this approach. It was written in about 490 B.C.:

> "The wise prince controls his soldiers by his authority,
> knits them together by good faith, and by rewards makes them
> serviceable. If faith decays, there will be disruption,
> if rewards are deficient, commands will not be respected."
> (The Art of War.)

I think if anyone wishes to lead an organization, this is the key. To follow, one needs to have faith. **There has to be faith within the organization**. The same principle applies to the economy. If people don't have faith, the economy collapses. It is all based on the so-called soft things. But people say: "No, that is irrelevant. You must look at the hard bottom line." But this is the bottom line. If you have faith and people are open and communicate with each other, show each other the solutions, the organization grows. If this process is blocked, and I believe in South Africa we have had a block of faith for more than a century, things fall apart. When people say: "We have to get back to productivity", they fail to realize that we have never had productivity in this country. We have always been on strike. Whether you have a union or not has little to do with whether you're on strike or not. A strike is where people withdraw their labour from a situation. And you don't need a union to do that. In this country people have done this for, I'd say, the whole of the industrial era.

Now, as Korzybski (1933) points out:

- **"A map is NOT the territory it stands for; words are NOT things.** They just stand for things. Words signify something, but they are not the thing itself". Korzybski continues: "A map does not represent ALL of a territory; words never say All about anything. Maps of maps, maps of maps of maps, and so on, can be made indefinitely, with or without relationship to a territory". In other words, words can go on about something, without in the end actually referring to anything. Words are illusionary and we therefore have to be very careful with them.

- **Contexts determine meaning.**

- **"The meaning of words are NOT in the words; they are in us".** That is another key. When we communicate with people, they have to understand the context within which we are using words, which is necessarily the way they expect to understand it. Korzybski concludes:

- "Beware of the word 'is,' which can cause more trouble than any word in the language (p. 253)". **The word "is", is a very dangerous word.**

William S. Burroughs (1975), the writer who spent several years in Morocco as a heroin junkie, and who is probably the most creative writer in America today - he is almost eighty years old now - points out that in hieroglyphics, a pictorial language, it is never "a man is a slave", but only "a man as a slave", because man is always more than just a slave. That is the role some men are functioning in - but it is not who they are. And that is the problem with the word "is".

In South Africa the word "is" has created a lot of problems. People often say we live in both the First World and the Third World. These terms are just euphemisms for black and white. The whole racial thing presented in another form with a better alibi. I think we have to be very careful about the word "is", because we often say: "This man is uneducated" and we lose sight of the fact that he is only "uneducated" because he didn't have any *formal education. In fact, he is much more than that. He is a father, he* may be a 'madala' in his community, he may be a very big man, we don't know that, because we see him only as a floor sweeper. We have to be very careful in the way we typify people, and the way we allow our definitions of any person to define that person in totality. I think that this is the biggest problem we have in this country - **we have built up myths about what and who people are, instead of finding out who they really are.**

I was very disturbed about the dichotomy drawn yesterday. I don't see myself as first world. I have never identified with Europe or America - I have lived in America for 12 years and in those 12 years I have never built up an identity with the place. My identity lies here, which is the so-called third world. But the third world is so many different things to so many different people. How can we describe it as only one thing, the Third World? Because we are defining it in terms of the first world and implying that everyone wants to be in the first world. I don't believe that is true. I want to be a South African. I am quite happy to be South African. I would rather say that we are South African before getting into these new dichotomies which try to replace and reinstate the old apartheid dichotomies. The whites in this country are not one group - they are many, many different groups who have very little in common with each other. Yet, we act as though we comprise the first world group and the blacks the third world group. Not true. Not true at all.

We have to be very careful and I want to try and summarise this: which factors will be expressed by the concepts and models we utilise, and which factors will our models and concepts ignore? By using a word to describe somebody, you almost, but never, manage to define that person, because your concepts can't conceive of all that is there. It is a bit philosophical, but maybe it will help. I'd like to give an example - something that happened a few years ago. I did some research for the National Black Consumer Union on co-operatives. And one of the aspects that we looked into was people's attitude towards the free market. This was raised yesterday, which is why I mention it now. Some statements from respondents were as follows:

> "The free market is a myth, it is not free at all".
>
> "Capitalism is a sick system - our experience makes it unacceptable. It is bad as it leads to a high rate of unemployment and does not give us security".
>
> "We suffered under capitalism, and because socialism is an alternative, we have to go for it".
>
> "The official propaganda against socialism makes it more acceptable".
>
> "Communism, whatever the South African government is against, must be good".

The key element in all these statements is that people aren't really positive about communism or socialism. They are only positive towards socialism and communism because of their negativity towards capitalism, because of what it has done to them and has not delivered to them. They favoured the alternatives, not because they thought that the alternatives were good in themselves - the good came out of the negative. A few months later I saw a report about co-operatives published by COPE, in which they referred to my research, saying that HSRC research had shown that blacks were in favour of socialism. So, what I am saying, really, is that people see what they want to see and they hear what they want to hear. But people don't interpret what you have said very clearly, or they often misinterpret it in terms of what they want to hear, and that is the problem with words.

Jessica Tarakata Hagedorn (1975 : 15) put it poetically as follows:

> "Stay away from magic shows especially those involving words.
> Words are very tricky things. Everyone knows words are the
> most common instrument of illusion."

"Racism" has a long history. It reaches back further than 1948. The assumption in this country, that apartheid was conceived in 1948 is very wrong. The first legislation of this sort came after the mines' commission of 1905. It was long before 1948. In Europe it goes back much further. But the thing is, there is this mythology that apartheid is an Afrikaans invention. That is very wrong. The Afrikaners were faced with a difficult situation. And I think to judge what people did in a difficult situation is very dangerous. One has to say: "What would I have done in a similar situation - would I have done anything different?"

I believe people always act in terms of their own interests. That is the way the world is. I don't think it will change and I think that other people will also have to act in terms of their own interests. Conflict is inevitable, and conflict is healthy. Conflict forces you to find solutions. I think the fear of conflict is very dangerous.

In 1970 Hammond and Jablow did an assessment of four centuries of English writing about Africa. Lawrence, in his introduction to their book, points out the following:

> "Assessments of the human qualities of black Africans
> have varied with the manner in which they fit into the
> plans of white settlers, missionaries, or proconsuls (p. 3)."

People see what they want to see and they hear what they want to hear. They fit what they see in terms of their own interests. I think Africa has been used by the world and I think they all owe us, actually. So, when they start pushing money in here, they are just paying us what they owe - I don't think they are doing us a favour.

The following comes from Andre Gide who took a trip down the Congo in 1925. He wrote the book in 1927. He wrote:

> "But people are always talking of the Negro's stupidity. As for his
> own want of comprehension, how should the white man be conscious
> of it? I do not want to make the black more intelligent than he is,
> but his stupidity, if it exists, is only natural, like in animal's,
> whereas the white man's, as regards the black, has something
> monstrous about it, by very reason of his superiority."

I think he captures the way in which Europeans looked at Africa until long after the "winds of change" in the 1950s. We are still suffering from these misconceptions.

Lord Bryce, when he came to South Africa in the 1890s to have a look at the whole Boer War situation, wrote the following:

> "I was informed by a high railway official that many of the Africans were quite fit to be drivers or stokers of locomotives, though white sentiment which tolerates them only as navies or platelayers, made it inexpedient to place them in such positions."

We see the precursors of "baasskap" here, its origins are probably even further back, as somebody [from the audience] pointed out to me, but it is clearly visible in 1897. It is not a recent phenomenon. And it is this attitude which actually prevents communication.

Bennie A. Khoape (1972) a friend of Steve Biko's and one of the co-founders of SASO, the precursor to the Black Consciousness Movement, wrote:

> To them [blacks] "the equitable distribution of decision-making power is far more important than their physical proximity to whites."

Now, for a long time we have had the anti-apartheid movement and a lot of talk against apartheid. My conjecture is that apartheid is not the root of the problem. The problem is "baasskap", which is an attitude. People will live with who they want to live with, and they will relate to whom they want to relate, because that is their own business. **The issue we have to deal with in this country is "baasskap".** I think this is a problem both the CP and the liberals fail to deal with. Hopefully the government will begin to deal with this by bringing black people into the decision-making processes. I think this is the real issue. Who is going to make decisions, and how are decisions going to be made?

When I started doing my research after I returned to South Africa in 1982, I read a brief statement made by De Villiers in 1980 which said that:

> "Most causes of conflict seemed to indicate that they were the result of interaction between people. In almost every case the nature of the causes of conflict suggested that conflict could be avoided by changes in the interactive behaviour between the parties involved, or by changes in the behaviour of one of the parties."

It was the sense that Khoape and De Villiers made that subsequently guided my research. How does one go about encouraging dialogue? Certainly not through telling people what they should do. You can never tell people what they should do. They always know better.

"Baasskap" is really a form of favouritism. It is quite interesting, because if you look in the literature for favouritism, you find very little reference to it. And yet it is a basic thing that happens everywhere in the world. We have our own form of "baasskap", and I must say at this point that I don't use the term because it is an Afrikaans term. I am not pointing a finger at the Afrikaners. The Afrikaans language has been very clear in what it says and in what it does. Unlike English, where hypocrisy plays a very big role. I was at Eton once, and I spent a day there talking to some students. I was a hippy in those days, with long hair and earrings and things, and I was hassling these students: "How could you come to this elitist institution, etc.?" Eventually one of the kids turned to me and he said: "You know, the one thing that Eton teaches you is hypocrisy." He wasn't saying it in a negative way, he was just stating it as a fact.

We have to be very careful. In my line of work you would assume that it is more difficult to get dialogue going in the Northern Transvaal, because that is where the heaviest conservatives are. It's not. It's more difficult to get dialogue going in Natal, because there, "We are all friends, don't you know?", and you can't get beyond that. "We speak Zulu, we know each other, there are no problems". The problems are enormous in Natal. Companies in Natal hire people who have little education, so that they can keep control. These kinds of games go down in Natal and elsewhere. This is a generalization. But I am just trying to break down some of the myths of this complex country. The myths that the English are liberal and the Afrikaans are conservative. It is not true at all.

Favouritism is a little used concept which encompasses an infinite variety of discriminations. Furthermore, it incorporates the political dimension of intra-group relations within its scope. All relations are political. The idea that we can get away from politics is a fantasy. Just as much as the idea that you can get away from conflict is a fantasy. Conflict is the energy source. If you have two different poles, you have a dynamo going, if you maintain the good will. If you manage to wipe out one pole, you have nothing. Conflict is a way to build energy, if you deny it you sap energy or further exacerbate the conflict.

In South Africa, the overriding favouritism is "baasskap", entrenched and institutionalized through apartheid legislation and enforced by "kragdadigheid". **"Baasskap" is nothing less than a political stance defending and protecting white privilege.** I think we suffered under that for a long, long time and I can't see us getting rid of it in the very near future. It is going to take a long time for these habits to die. It is a form of paternalism, a way of seeing things, and I think it is contained in the concepts we use. As I have said, I still see it in first world / third world dichotomy, and in our notions of cultural barriers. **There are no cultural barriers - there are only differences in culture.** But if you want to talk to somebody, there is a way to talk to him. If you want to create a barrier, you can create a barrier. The stage is set by the way you come on in the relationship and what you do to get through. I think that using excuses about "their" cultural differences and therefore cultural barriers is nonsense. I think it is another way of bringing back apartheid through the back door. Culture becomes an alibi.

I found a definition of favouritism in an old dictionary published in 1895, *Lloyd's Encyclopaedic Dictionary:*

> "A disposition to favour, aid or promote the interest of a favourite person, class or number, to the exclusion of others; [in other words] partiality".

Now, communication gets affected by this. Ferdynand Zweig (1952) was the only reference I could find to favouritism. I was told by my thesis advisor in Canada that some research had been done in the States by one of the big consultancies but that it got buried. You see, it is a very difficult thing to work with, because ultimately, you do have to favour the people you work with. So, there is an ambiguity there. It is a matter of the degree of favouritism involved and the degree of fairness. If you have fairness, it cuts through the favouritism. As Zweig (1952) wrote:

> "The manager or supervisor who is suspected or accused of favouritism, is finished in the eyes of his workers."

This is perhaps the worst charge that can be brought against any supervisor. And yet, in South Africa, we have institutionalised it. It is a very sad statement. If we wish to improve communication in organizations, we shall have to come to terms with it. We can't go around it, we can't wish it away; we have to confront it straight on. Many of us have a hard time doing that. We want to pretend that we aren't inclined that way, but we are all like that. We are all the same. We all have our negative sides, even though we like to present a different side.

The psychoanalyst Carl Jung pointed out that if there is one thing you can be certain of, it is that you are not your persona. That is about all we can be certain of - the rest is up for grabs. That is an important lesson for us to learn. The American comedy troupe, the Firesign Theatre, titled one of their records, "We're all bozos on the bus" [Bozo the clown]. None of us really have our acts together and none of us are perfect. We all have our problems and if we can recognize that, we can start to build through communication, goodwill and trust.

Secondly, I would like to present you some of the findings from research I have conducted. I believe the research shows that the changes happening now are irreversible, regardless of a "yes" or "no" vote on the 17th [March 1992]. Now, the indicators of "baasskap" in organizational management are many. Palliative gestures, and attempts to create illusions of development. I would like to spend some time on illusions of development.

American psychology has a whole notion of democracy built into it. This kind of democracy came from Germany, and the clash between Germany and the rest of the world during the Second World War. A man with the name of Kurt Lewin left Germany and went to America. There he conducted a series of experiments on autocratic versus democratic leadership. What he did was to set up different groups of boy scouts. He was working with a man called Lippitt, who at the time was the head of the boy scouts in America. The one group was lead by an autocratic leader and the other by a democratic leader, but if you analyse their results, you find an interesting thing.

There was a boy by the name of Reilly, who at first was in the autocratic group, but he lead a sit-down strike against the leader. He was then put in the democratic group, whereupon he lead it to anarchy. They describe him as a person who makes democracy hard to achieve - which to me is a bit of a contradiction. Because I think he was acting democratically, if you look at the way in which the groups were structured and consider that the task given to them was to build a kite. There was no choice as to what tasks they would do. There was only a choice in which tasks each of the individuals in the group could do. So in fact it wasn't democratic at all. An illusion of participation was created by giving the boys little irrelevant choices.

In America they have similar elections where you can choose between Omo and Surf. There is a big difference - or is there? Are they just the same products in different packages, like the republican and the democrat? It is a very dangerous game, because you cannot control people by giving them one message only. You control people by giving them two seemingly "different" messages. And creating the illusion that they can choose. If you look at Hitler's use of that procedure in the times of the concentration camps. When they were sending the Jews into the camps, they always gave them a choice - you take the left or the right road. You are holding out hope that if they make the correct choice, they will survive. Actually both lead to the same place. But when you are presented with the choice you don't know that. It is a very clever way of giving the people the illusion of choice - the illusion that they have some freedom.

We have a similar situation with the CP and the NP. My feeling is that Treurnicht is part of the NP plan. But I cannot prove that. When you are setting out to change a society and your tactics; those people who are not going to go along with you - you have to soak them up somehow and organize them - and not leave them to be organized by Terreblanche who, you will agree if you have seen him on TV, is a very good speaker. I am not saying I like what he says, the man is good - he is the best speaker I have seen on TV in South Africa. I think he is dangerous.

One has to be very careful of these illusions of democracy - illusions of choice. The idea that you have a choice doesn't really mean you are free to chose. You are contained within the dominating dialogue. The metaframework. Whether you choose one side or the other really makes no difference. The choice between capitalism and communism is similar. They do the same things. I had a Hungarian friend when I was living in the States who said that there is a difference between Hungary and the United States. In the United States, if you do the right thing, they give you a reward; when you do the wrong thing, they punish you. He said that in Hungary, when you do the wrong thing, they punish you just the same. When you do the right thing, however, they leave you alone. So there is a difference - it is a matter of degree. But basically the process is the same. One has to be very careful of that.

Look at Margaret Mead's work (1950) on counter insurgency during the Second World War, for example. She worked for the OSS in counter insurgency. She came up with a very neat way of fighting the Germans. If you have to fight them in the jungle you print books on jungle warfare in perfect German. Supposedly, printed in Berlin by the Wermacht, or whoever the official publisher is, and you drop these on the German soldiers, but the books/manuals are written in such a way that by the end of reading it, the soldiers are terrorised. This is the kind of propaganda she was into. This is the kind of thing states are into. We all talk about terrorists - but the states are the first terrorists, I am afraid. Not the US only, all states - governments are there to control people, so they do it. But I am concerned with the notion of counter-insurgency; the notion of using messages for reasons other than they appear to be.

On the question of "baasskap" in organizations: we get palliative gestures, gestures that claim they are going to help people, but actually give them nothing. These are dangerous. Excluding blacks from decision making is fatal. Demands are made that blacks adapt to white expectations. We are the first world, you must come into the first world, whatever that is.

The hoarding of information by 'non black' staff; people keep information to themselves, they are afraid to release it. I have often found that when I talk about communication people think: "Oh, do you mean do I give my orders clearly, do I give instructions clearly?" That's part of communication, but a small part of it. The whole point is: do you bring people in, do you give them informal information, do you clue people into the fact that if they go and talk to so-and-so, there may be a job for them, they may be able to get an increase or improve their situation by doing this or that; I don't know, I don't think it happens across the racial lines - race remains a huge barrier.

White people are clued up. You have uncles, cousins, aunts, who have been in positions similar to the ones you want to get into. You go and ask them: "What do I do to do this?" They tell you. Many blacks don't know people in positions of power, they don't know where to get that information from. And that is key information. It is the secrets that count.

You know, if you go to university, they tell you that you must study the text books, you must learn to do this and that's the way you get ahead. Well, it is part of the story. But there are also other things. Make friends with your professor. Take him out to lunch or whatever - these things work. I'm afraid they do. There are a lot of things that are secret and that are held secret. And if you want to get advancement and communication growing in the country, you have to try and break these informal channels and open them for other people, so that they may learn the secrets as well. Because they think that whites have hoarded all the secret information in order to protect themselves and that is part of what "baasskap" is about.

We disregard the problem of **white resistance to change**. In South Africa we have a situation where in most production-orientated companies you have conservative people, artisans, etc., who are threatened by the impending changes. Change isn't necessarily good for all of us. We have to reassure those people and help them to make the changes. But I think that many companies are actually held captive by their own production sectors. The mines for example, have not acted in terms of what is going on underground. It is a very scary situation. I don't know how they are going to deal with it - but they sure have to start dealing with it. I was told that one of the major mines only started hearing about black advancement issues from their head office after February 2nd 1990. That is when they started discussing the issue of black advancement. This is a major liberal organization. It is a difficult thing to deal with.

I have recently done research in Richards Bay. I don't find it surprising that a number of people from Richards Bay were involved in last year's bus massacre. They are a very threatened community. The white community has no support at all, especially the artisans. In Richards Bay one finds a set-up where the managers live on the coast, next to the beach, surrounded by pleasant trees and gardens, while everyone else, the artisans, live on the other side of the industry, where the wind blows Mondi's smells down on you. It is awful, actually. There is only one central shopping area. So if your wife is unable to drive, she is stuck. There is no support group and there are no social work functions. The rate of alcoholism in Richards Bay, I am told by the social workers, is three times the national average. Wife beatings are very common, incest is a major problem, the place has all the signs of an atomic society. The only support that whites get there is from the fundamentalist churches, and I suppose the AWB. It is a very sad situation.

It is not just Richard Bay. The company towns spread around our country, and there are a lot of them, are very similar. You are dominated by the company and there is no escape. On a Friday, everybody rushes down to Durban - it is called the "banana split". But you can't live like that. The men go fishing with their four-by-fours out on the beach and the woman are left at home with the children - and the children have very little to do. The English and the Afrikaans schools don't speak to each other. They don't have functions together. It is a very sad situation, but it is something we have developed in this country, and I think it has put a lot of pressure on those who can least afford to deal with it. And the political changes are putting even more pressure on them.

So you have to be very careful about saying: "Oh, those guys are just racists and that is why they are doing it." It is far more complicated than that. These people are actually threatened by the changes, and they need to be brought on board. They have the technological know-how that we want to pass on to others. So we are in a "catch 22" here, and I think that we have to look at how we can help these people to change - how we can show them there is a future for them.

Another problem is the **consistent appointment from outside the organization**. This is a complaint you hear from people all the time - that there are people within the organization who could do the job, but that they appointed someone from outside. This is another aspect of communication: "We are prepared to take the risk with our son, we'll take the risk and see if he can do it. But now this guy comes in, well, I don't know him, why should I give him a chance?" We have to take risks with people who have potential and give them a chance. We have all been given opportunities somewhere along the line. If we are to be honest, somebody has given us a chance - why don't you try it? See what happens. Support people, have faith in them, and give them a chance. These are the things we need.

Another problem, and also a palliative gesture, is **perfunctory and inadequate performance appraisal and career development**. We go through the process, but we are not really looking at how we can help employees - what opportunities can I give them - how can I help somebody move ahead? These are the things we need - we need supervisors who can take on the role of fathers, mothers. Help people, though not in a paternalistic sense. We all need help. We are all bozos. Let's not forget that. In the end we are all put in a little box and put in the ground. Death is something that the Western world doesn't like to deal with. In India you see them burning the bodies, and it's clean, it's wonderful. Kids are playing in the streets, somebody is whistling a tune, and the professional wailers wail. He comes down, gets a deal, gets the money, and gets back to wailing. It's clean, it is very honest. We, in the West, hide the bodies, we hide the death, we don't allow our children to know about it, as if it doesn't happen. Well, it does.

We are all just basic people - there is nothing more. While resistance has a number of strategies. Overt strategies include blatant discrimination, anti-unionism, blocking advancement, withholding training and development, and blocking communication. These are relatively easy to deal with. Because they are up front. But the ones that are more difficult are the covert ones. We set people up for failure. This is a problem that you are going to have with affirmative action. **The problem with affirmative action is that the people who have the power to decide who is going to move up, can decide to promote the incompetent employees.** You give them quotas and say: "Hey, I want 30 blacks at this level by next year." You will have 30 there, but they won't necessarily be the people who can do the job. And when they fail the guy says: "Well, you told me to do this. Don't blame me - I mean, I took the best guys." I don't know the answer.

I had a conversation with an ANC member on these matters recently, and I had to point out that the ANC is going to force us to go for quotas, and that it won't work. It didn't work with the Sullivan Code. It doesn't work because the people who have the power to sabotage it, will sabotage it. We have to bring them on board to get the process going. We have quite a few people in top management positions. But if you look closely, there are more black senior managers than there are middle managers. Which tells you something. It tells you that we haven't developed a natural process of bringing people in. We are trying to do window dressing and pretend. It is a very difficult process, but it is a process which we are going to have to try and deal with.

I don't know the answer. I think it is something that really needs some dialogue and debate to find how we should do it. How do we bring people in to use the informal channels, to share the secret knowledge that we have, and get them moving up? How do we recognize those people who can do it? We usually base these things on academic criteria. But, these aren't the criteria we need. I have a Ph.D., but I cannot do many jobs which people without a Ph.D. can do. I think you have to look at how you bring a process about to develop people in a real sense.

Another covert strategy is **biased appraisals**, including biased testing, which I have talked about. There's the blocking of advancement. A number of years ago in an organization where I worked, there was an opportunity to place a black woman as head of a division. It didn't happen and morale among the blacks in the organization dropped. These are the types of things that can happen. You have to be very careful. You are not just affecting that one person. The grapevine works very fast. People have their own assessment of who should get certain jobs. If you block that, they know and it destroys not only the morale of that person, it destroys the morale of the whole organization.

Blaming the victims for management's mistakes happens all the time: "The workers are not giving us productivity." Well, management isn't giving you productivity either. They are not finding out what the problems are because they don't have the trust of the workers to tell them what the problems are. In a recent survey I did, this was very clear. We did the workshop and discussed these issues. The manager went around the store room asking workers on the floor: "What can we do to improve this?" He got a whole lot of improvements - in a flash. He had never thought of it. He is the expert and should know what to do. So he didn't ask the workers who know what to do. They, by definition, don't know what to do. He is the manager and they are just workers. It is a whole change of relationship that we have to look at.

Not training subordinates in an adequate manner, seeing and hearing what one wants to, subverting communication channels, not giving information out, throwing away memos, taking memos out of the box before you get them: there are many ways to do it. Subverting grievance procedures. Discriminant application of rules, hoarding information, creating a climate for industrial conflict. Creating scenes, swearing at somebody, doing something that creates a whole mess. And then you say: "Well look, the workers went out on strike." I heard a CP member, Derby Lewis, saying that we have terrible productivity because of the unions. Well, it is easy to blame the unions, but who is creating the situations that force the unions to go out on strike? Management or the workers? Well, it is probably both, it is the mistrust in the relationship.

I think the lesson we have to learn, to try and sum this up, was well put by Mongane Wally Serote in 1972, long before he or the ANC was unbanned:

"White people are white people
They are burning the world
Black people are black people
They are the fuel
White people are white people
They must learn to listen
Black people are black people
They must learn to talk"

If we can only remember that. It is a very strong poem and it has guided me in a lot of things I have tried to do. I think poetry often goes further than all the academic books we read on the subject.

People don't want to be liked - they want to be appreciated for what they do. You don't have to like someone to treat them fairly. People confuse these issues. If you are working with people, you don't necessarily have to like them. You don't have to want to take them home for lunch; but you do need to treat them fairly. There are no simple academic solutions. There are no simple solutions, there are no academic solutions. There are only real-life solutions. Each situation is unique. Companies are made of people and people are always different. Only through their interactions can people find solutions. I believe that is the truth. If you want to look for solutions, get people together and let them look for solutions together. That is the only way you are going to find solutions. You can't sit in your ivory tower and think out a solution. You can probably think of excellent solutions in theory, but they won't work unless you get the other people to agree with those solutions and to go along with implementing those solutions. The solution is one thing - the implementation is another. For the successful implementation of any solution, the people who are going to implement it have to agree with that solution. Or else they just sabotage it. It is easy to sabotage things. And the industrial process, as it becomes more technical and more complex, becomes easier and easier to sabotage.

A friend of mine worked at a plant as a welder - he was actually a sociologist doing a participant observation study for a year by working as a welder. He told me that when they got angry at the company, they would just put a couple of bolts into the chassis of these top-of-the-line Fords and then weld them up. That car is going to rattle for ever and you will never find it - because to find the rattle, you would have to take the chassis apart, and nobody is ever going to do that. It is very easy - just a couple of bolts here, throw something into the machine there, crunch, crunch, and everything stops for a few hours.

I was told by guys at a paper mill on the Natal Coast that in the fifties, when the plant was built, they really had teamwork going in that place. But as time went by and they had several changes of management things became more and more bureaucratic. They no longer listened for the bearings going. "It's time to go, the bearings are going to go in half an hour - bugger it - I get off the shift, let it blow up on the other guy". They no longer care. You need people who care. It takes half an hour to replace a bearing. The bearing goes, everything crunches up and it can take as long as five hours.

If you are driving a car, the same thing applies. You hear the brakes going, but you don't care, you carry on. You have to replace the drum as well as the brakes. That is an increase in price, and the increase in time is much more. It is a simple thing. If the guy is listening, he stops the machine, fixes it. It takes half an hour and you're back in production. You saved on production. The only person who can hear it is the guy working on the machine. The manager in his office can do all the worrying he likes, but he can't do anything about it. Unless he has that guy's support. Because you can't prove that the guy heard it - he says he didn't hear anything, it just went. Sure, what a surprise - the whole machine blew out, but he didn't hear it.

Another interesting case: at one plant which blew up a few years ago. They had a siren that went off before the explosion. A two billion rand plant, the whole thing went. A peroxide explosion. They now don't have a siren any more. So if it goes next time, that's it, the whole thing is finished. The siren really terrorised people.

I've said that I believe **change in this country is irreversible**. I think the signs had been visible since about 1979 - that is when I saw Pik Botha on TV and he had a glint in his eye that I had never seen in Nationalist Party ministers before. He was on TV and he was confusing the interviewer totally. He was almost as good as Pierre Trudeau in dealing with interviewers. Trudeau was really good. When he was a guest on radio talk shows, whatever language you chose to speak in, in whatever nuance, he would reply in the same. You'd talk to him in upper class, he'd come back in upper class. You'd talk to him in working class, he'd come back in the same. And Pik is almost as good. I think it is since then that these changes have become visible. It has been clear since about that time that the revolution wasn't going to happen, and I think that there were a lot of signs since then.

In 1986 I went to Canada to present a seminar on what I saw as the political changes in South Africa, five years before FW's announcement. I think it shows you that these changes did not come as a surprise. I have heard Alex Boraine saying it was a surprise. I think it is nonsense. These things have been coming for a long time. Blacks have become increasingly important for the growth and development of the private sector, because of both their labour and their markets. These are important things. The increasing, though hesitant inclusion of blacks in decision-making was still in the token stage. The introduction of far healthier industrial and human relations practices in the work situation, as well as the growth of the black unions.

There was increasing recognition that South Africa is the centre of the regional economy, even though it's development has been arrested - partly by the conflict surrounding South African race policies. We need an economy of scale if we are going to get our industry going. It is not good enough to blame the unions for low productivity. We don't have the markets. We have closed ourselves off from the surrounding markets. So I think that it is absolute nonsense.

Further, the South African economy was arrested by its inability to exploit this large potential market. Calls by the government for black leaders to enter into negotiations about a constitutional future, signs that the ANC would be willing to come into negotiations if certain gestures of goodwill were made, the increasing talk of negotiation among the competing sides in Angola and Mozambique, those have now all come to fruition. Western calls for negotiations and Glasnost in the Soviet Union, who for some time had refrained from supporting revolutionary projects in favour of negotiated solutions.

It was the Red Chinese who, about four years earlier in Zimbabwe, clearly said to the ANC: "You have to negotiate - there is no other way to go." The Chinese I think, are clever. If you ever watched them in the UN, you would have noticed that they have a different approach towards diplomacy. The other countries get up and deliver long diplomatic speeches; the Chinese get up and give a short poem and sit down again. They don't care whether you understand any of it and whether you care or not - they merely say what they think. And they are very, very interesting.

The whole world is changing. We sometimes think that change is happening only in South Africa. **Change is happening globally.** The whole bipolar world is breaking down. There is no bipolar world anymore. The Americans are trying to seize the advantage and want to be the leaders. This is a fantasy as far as I am concerned. We have a multi-polar world developing, and one of the poles is Southern Africa. If we look back at Jan Christian Smuts we recognize that he was quite visionary - not only did he think that we would have a United States of Africa, he also recognised that South Africa was the beachhead for the development of Africa. This is what the world is now doing. Part of the problem however, is that we are joining the world's war machine, which is why I think that if there is a "no"-vote on the 17th, there will be a military coup, that same night. I don't think that the generals would want to lose out on playing the big games up in Iraq, etc. They want to be part of that war game. They don't want to be left out. Generals are into their game. They are not into politics, they are into playing their war games. And they know the "no"-vote will pull them out of that war game.

So the point that I am trying to make is that I think that change is inevitable and I think there is no way anybody can stop them. And I think that therefore, the urgency that was discussed yesterday is increasing every moment. We have to come to terms with how to deal with these questions. We can't leave it till tomorrow for our children to do.

The Japanese have a number of lessons for us. I think they are rather overrated, but I think there are some lessons that we can learn from them. And these are the **three managerial philosophies of the Japanese**. First, they see a positive role for business in their society. Second, the Japanese managers view employees to be as intelligent and responsible as they are - I don't believe that we have many managers in this country who could say that, I think this is something that we should aim at. And third, Japanese managers tend to view groups as superior to individuals in solving their operational problems. That point was made very well yesterday.

Ferdynand Zweig (1952), says:

> "By being fair to workers, you are also being fair to management. Because unfairness discredits the whole management in the eyes of the operatives."

As soon as the workers have lost faith in the fairness of the management, they throw away the whole code of morality at work and you might as well pack up the whole business. That is where we have been, for a hundred years. This has been our major problem. I don't think it is that we are trying to get back somewhere - we are trying to get somewhere. We have never been there. People think of the past as glory days. My mother does (she is 86), she says: "Aren't things terrible now?" and I keep saying: "Were they nice in the fifties?" And she says: "Yes, they were nice in the fifties". Well, for her they were, with her house, swimming pool and tennis court, but I remember sitting at the gate when the guy who did our house came home one day after being beaten up by the police. I was 7 years old and I saw this. It wasn't so nice for him, or for the other people around. I think we often see the world only through our own eyes, forgetting that there are other people and other things going on. I think things have never been better than they are now. And I hope that they will be better still.

A problem common to most South African companies is **blocked communication**. Communication both upwards and downwards is mediated by misperceptions and misconceptions. Discrimination and favouritism: black, coloured and Indian staff are discriminated against in terms of selection, development and conditions of service. Pro-English, pro-Afrikaans or pro-whatever, pro-women, pro-men, favouritism is evident.

These things are problematic. Anglo American thinks it is fine to hire pin-striped suits only. I am not sure it is fine. I think it allows them to remain where they are. Resistance to change - white resistance to black advancement is a major factor in heeding black advancement programmes. Prejudice against labour unions may prevent the formation of healthy labour relations. Differences in perspective are radical: white employees for instance, see increased remuneration as a means of attaining luxuries, while black employees see this as a means of meeting basic needs. These are very different perspectives.

I would like to clarify that I see the environment as a place in which people live, work and play. The aim of environmentalism and environmental management is to create environments that nurture the development of people. We cannot afford an environmentalism that worries and goes about hugging trees, etc. I am concerned about trees, I am concerned about the environment, but **I believe the environment is for people.** If you avoid that and don't look at the question, which was raised in India where they had an environmental conference, where the third world said to the first world: "Oh, you buggered up your environment in order to develop, and now you are telling us we mustn't bugger up ours." The problem is that people need to develop. And we have to look for ways to both save the environment and develop people. The programme that I started at HSRC and which is being carried on by dr Jopie van Rooyen is the Developing Environment Programme. It aimed at creating a dialogue among environmentalists recognizing that they have to work within a development framework. They cannot float free.

Escom and the other big companies can't tell us what we should do to the environment. The environment belongs to all South Africans and it has to be **an environment that aids the development of people.** The lesson we have learnt in industry is that we have to consult with people - we have to encourage their participation. Interestingly, the example is being set in Bophuthatswana at the moment. The Natal Parks Board and the Umgeni Water Board are also doing very good work. They are starting to make connections with the communities and allowing them to have a say in how we save our environments. The aim of the environment is to nurture people's development. **The environment doesn't exist outside the people.** And if we give it precedence, we are being very harsh to people. So I hope this clarifies my opinion about environmental management. I don't know - I am sure there will be some disagreements about this. I think that South African organizations are co-responsible, with everybody else, for:

- **Developing strategies for promoting faith in the New South Africa and thereby building morale and commitment.**

- **Safeguarding justice and fairness.**

- **Protecting and renewing of our natural and human resources.**

- **Developing non-racial organizations as well as the means of managing them.**

- **The development of individuals and communities.**

- **The facilitation of self-help initiatives aimed at overcoming both under-development and overdevelopment. (We have to be very careful. We sometimes think that the whites are developed. They are not. The example of Richards Bay is a very glaring one. Many whites are in as much difficulty as blacks are.)**

- **Promoting and rewarding innovation and experimentation, reframing, fellowship, communication and dialogue.**

Consultations and negotiations are necessary in all spheres. And I think that if we can look to the Codesa example, no matter what field we are in, we will begin to find solutions. I am not saying we have found them.

CONCLUSION

Just to leave you with a couple of thoughts. This is a quote from a survey I did at a plant in Port Elizabeth, the middle of last year. This is a black worker in the factory, and this is the point he made: "I see a long polarization now taking place in the power struggle in the townships as well as here on site. There is tension between the blacks new to the area and the older blacks, people who have lived there for longer. There is also the tension between ANC and PAC supporters, which is bad. The violence will escalate to the same level as we had in the townships in 1985. And anything can take place here on site, particularly on the sensitive union issues. The one union is aligned to Nactu and with their recent alignment to Azapo and the PAC, a lot of uncertainty is settling in among the workers."

I think after the next three years polarization between black and white will reach a plateau. The main thing though, is that management is so far removed from what the workers have to face in their daily lives. I know it has a lot to do with the socio-political history of our country, but when are they going to stand up and really do something about that? Until they do, they will never be trusted by the work force. And the strange thing is, it only takes real personal commitment. A commitment to understand the black face as a valuable human being.

The interesting thing was that the week after the black worker said this, that township blew up. The way I used this when I did the workshop with that company, was quite startling to the managers, because they didn't have a sophisticated understanding of what was going on. We very often think that because a guy is a manager, he understands things and because a guy is a worker, he doesn't. This is a fatal assumption.

In conclusion I want to leave you with two thoughts: This piece is from Crozier and Friedberg, writing in a book titled: "Macht und Organization", published in German in 1979:

> "One cannot bypass this problem of power.
> Human behaviour and human choice,
> that is power and the hidden side of it,
> manipulation and blackmail,
> are characteristic of every collective project.
> To eliminate power is in the end nothing other
> than to take away from the actor his option and
> right to do anything other than what is expected of him."

This captures the whole notion of human will. People can do whatever they like and they will do whatever they like and you can't merely tell them what you want them to do. You have to find ways to get people to work together. To conclude, Hatvany and Pucik pointed out in 1981:

> "We have to adapt the organization to the people,
> because you can't adapt people to the organization."

That is the reality, and I think the idea that we shall have productive organizations if everybody simply adapts to the "organizational culture" is mistaken. For instance the idea that if everybody became English, it would all be okay. In other words, that old colonial imperialism, we have suffered under for such a long time, has to die. The "third world" ain't going to stand for it any longer. We have to discover an appropriate means to communicate and manage in South African organizations.

DISCUSSION

Question

Just to clarify the question to Ms Fourie yesterday afternoon: The workers want new uniforms urgently. Management agrees that it would be in the company's interest. But we insist on going through a negotiation process even if it takes more time.

Answer

I think you would still have to go through that process. I think there is no way around it. Because I think if you decide on the wrong uniforms, you are going to have a problem. But I understand the point you are making. I would say that you should look for some way to make the process short, e.g., conduct a snap poll in terms of alternatives presented by the work force.

Question

If I heard correctly, then there are no cultural barriers in South Africa. If you look at the various culture groups - whether in South Africa or outside, each cultural group has its own values. Now, South African society is not a homogeneous society. Maybe you need to explain a little further what you mean.

Answer

What I am saying is that, I don't believe that, in the sense of communicating across those cultural differences, there are barriers which make it impossible to communicate. I am saying that if people have the goodwill to try to talk to each other, they can. I am not convinced that their are basic value differences in the sense of saying that there is no way that you and I cannot work together. For example, the work I did in Richards Bay. We looked at the differences in values between the Zulu and whites there. The only real difference we found was in terms of identity; people want the same things - they start from different points of deprivation. Their starting points are different at this moment of history. Some people have houses, some people want a house. Some people have cars, other people want a car. The point is they want the same consumer items, etcetra. The major difference we came up with was something to do with identity, i.e., 'Zulu pride'. When we asked whites, "Who they admired", they gave us a whole variety of people. When we asked Zulus, they included urban, peri-urban and rural groupings. A few of them gave us singers and actors, etcetra like the whites, but most people wouldn't give us anything. When we explored this we discovered a sense of people not wanting to be somebody else. Their identity was rooted in their family and custom, not the consumer imagery of the western spectacle. These people are quite content with who they are. They don't have that Western alienation which makes people want to be somebody else, want to be the rock a roll star or Madonna or whoever else. That was a difference.

The other difference arose when we asked: "Do you want to learn other people's cultures and customs?" Among the Zulus we found an 80 % "No". And when we explored this we found that it wasn't a negative thing, it was just: "No, I am content with my customs and traditions". It was not, "No, I don't want to know about you" but rather "I'm not interested in becoming you."

That research has influenced the way I see this issue. I don't think that there are such basic differences so that people are going to clash if the good will is there; we may want to do things slightly differently, but we can work that out. So, what I am really saying in terms of communication is, **"We can communicate if we want to"**. For example when travelling in countries where you don't speak the language at all - for example Spain - you find ways to communicate if you want to communicate. We must acknowledge the differences, but also acknowledge that they are not necessarily a barrier. We need to look for ways of understanding and overcoming our differences. We will all be richer for it.

Question

What would be your advice in an organizational situation, where value differences between the whites and the blacks cause a problem? I can give an example. White culture is generally achievement oriented and individualistic. If you have in the corporate situation violent clashes, what would you say, would be a way to build what I would call a "third culture", in which there is a matched merger of vigorous violence, for the corporate situation?

Answer

My feeling is that one can't just build that. The only way to build that, is to bring those things together. And when you are going to do any initiatives, bring all interested parties into the discussion. Discuss what management wants to do and how you think you are going to achieve it and get input from all sides and I think that you will find you will get a creative and productive synergy happening. At first (and I have done this in a large number of companies) in some cases, the blacks sit here and the whites sit there and there is nothing happening and you can't break that down. That has to be broken down.

I am not sure that I would typify black society as communal and white societies as individualistic. I think there is some truth in that, but I think some of that is historical. For instance black workers have built solidarity because of the threat against them, and once that threat disappears, other things can happen. But it is a political solution that has to be found before people can feel: "Oh, okay, you can go your own way, you don't have to have solidarity with me". For example, the issue that was raised yesterday, of a worker who is given a promotion and he is then viewed as a sellout. I think a lot of your question involved stereotyping which I am not sure are actually real. I think you are wrong if you are saying all blacks are communal and all whites individualistic. There are degrees that largely depends on the situation. We have to work on creating situations that enhance fellowship, cooperation and productivity rather than division.

Question

It seems to me that management nowadays are listening to workers - white or black - because of the power of black voices. What happened to the dissatisfied white worker in the past?

Answer

He just remained dissatisfied. It is clear in companies that not only does management now talk to the black worker, but also to the white worker. I think whites are getting a lot of liberation from the black movements. If they can be shown that, it would help them join in. I think that the unfortunate thing is that whites at the lower level, are directly threatened by the change. It is a matter of reassuring them, bringing them in.

Question

For a couple of years I was quite involved in Bophuthatswana and I would like to make the statement that, of all the so-called TBVC states in Southern Africa, Bophuthatswana is about the only country, in my eyes, that has overcome this problem of environmental communication and they have proper environmental management. Do you agree?

Answer

I would agree. As I said, I think in the area of environmental management - that is the only one I know about - they are far ahead of the other independent states. And I think it is a matter of not waiting for somebody to give you permission. You have to go out and create situations.

Even in the arts, the Mbabane centre and others, are quite ahead of many similar organizations in the country. Which brings one to community development. But you have a lot of political conflicts within South Africa that actually preclude that. I worked for a long time with the Kathlahong Art Centre. It is an interesting situation, because it was set up with money from the East Rand Administration Board. In the boycott politics in the middle 80s, it was no good by their definition, because it had taken government money. The fact is when it was originally set up in 1978, it was set up with its own independent board which had total control. They only had to account to East Rand Administration Board for how they spent the money. Other than that the East Rand Administration Board had no control over what their policies were, what happened day to day. However many lefty's harshly criticised the Centre for taking "Government money". At the same time many of these critics were paid by the same "Government money" by art Departments at Wits, Unisa and elsewhere.

There is a lot of political conflict in South Africa, which I think has actually prevented development. If you look at the ANC's platform, and I am not criticizing the ANC as an organization, but community development hasn't been a push of the ANC until very recently. And that is what people need. People need to develop themselves and their communities, to get organized, to get things going. For the lack of facilities, etcetra, one can blame the government. But you also have to look at how am I to blame, too. The same as with the youth. We did a project on the youth. A lot of people say no, education is the responsibility of the state. You ask the youth, and they will tell you that they are responsible - the youths themselves - their parents are responsible, the teachers are responsible and the state is responsible. I think we come out with some very simplistic answers sometimes, which block avenues of real progress. And, I must say, that is possible to get things going. One has to admit that Bophuthatswana is providing some leadership in this. Political conflict and the intransigence of South African Governments for so long have sabotaged development in Southern Africa. We need more developing environments.

Question

I have been listening to the various symptoms of our society that you have been explaining. I am trying to ask myself the question: "Where is the therapy?" We have diagnosed the illness, particularly as it relates to corporate South Africa. Ideas have come to my mind: you must look at your corporate culture. But it isn't a matter of taking off a jacket and putting on another one. It is a matter of establishing values systems within your own particular corporation, which is a long process. Now, is that the therapy? Is it merely a long process which has to be implemented in over a period of time, or are there any particular shock therapies?

Answer

My feeling is that the shock therapy, if one as such applies, is doing some kind of audit or investigation or climate survey or whatever it is, there are many different kinds, but that is only the starting point. The point is to do in-depth interviews with a sample of staff, from top to bottom, in all regions and departments. And then use that information as a means of putting the cards on the table, and beginning a consultative process. In that you guarantee anonymity to the sample of people interviewed, the fact that the research team is not in the company, but from outside and we do not let the client see the raw data at all, the staff will be assured and most likely to give their criticisms and suggestions. All the company gets is a report of the overall finding. You put that on the table with the shop stewards, supervisors, managers and top managers present and they then work on finding actions to deal with the issues. You then repeat this process in every branch/region of the company and let them fine tune or develop actions to deal with the issues as they see them. Finally you feedback the results and actions to every site and every branch. You cut through the informal networks that are actually the power in an organization. And in that sense you create a therapy situation. But it is an on-going dialogue. You can't just do it once and think, "now I have the solution". You have to do that on an ongoing basis all the time.

Question

So, you believe that external intervention is essential?

Answer

Well, I think that to get the cards on the table, in as honest a way as possible, external intervention is necessary. People are afraid to tell you what they think, if you are going to judge them. Whereas they won't necessarily be scared of telling me if I am not going to tell anybody what they themselves have said, but am going to give an overall idea of the issues that people raised, and get all levels in the organization to discuss those issues together.

Question

You then also mentioned that environment is the sum total of where people live, work and play. Having done your internal corporate analysis, that corporation still lives with in the broad environment, which impacts upon the corporate culture. Do you agree?

Answer

Absolutely. I think you need to scan your environment to know what is going on there, in terms of technical changes, etcetera, that involve your organization, what its aims are. I also think that any initiatives you take, on the environment, or whatever, must be decided upon by your total staff, not your MD thinking: "Oh, this is my pet subject, I will support the rugby." If your staff ain't interested in the rugby, you can create a clash. They have to see the benefits - it is like a company I knew in Port Elizabeth. They built a crèche in an area and then they found that none of their workers lived in that area. So it didn't help their internal relationships at all. It was nice for that community, but they hadn't worked it through with their own people. So I think it is important that one looks for the initiatives one's going to do externally, and get input from you own staff. They will know what external issues they want to support. And it is not a management decision. Look, management has to make final decisions - there is no way things can work otherwise. But it is a matter of consulting and allowing the participation and input of all levels before you make your decision. Get your decision right and also build trust through your decisions - don't break trust through your decisions.

Question

I understand the process, but the corporation is not an island on its own. This is a much wider environment and it is subjected to pressures by the environment?

Answer

Yes. But I think you need to know your environment. You need to know your context very well. But I also think that it is a matter of feeding that information to general staff so that when you make a decision, they understand why you are making the decision. But also, try and get consultation before you make that decision. Reach an agreement before making the decision. It is not an easy relationship. I think one has to work on building on that relationship. I think you can do a lot of damage by supporting environmental issues that your staff do not care about.

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8

THE MEANS AND VALUES OF TIMEOUS INFORMATION IN A ORGANIZATION'S COMMUNICATION[*]

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The purpose of this workshop is to discuss some issues relevant to the means and value of timeous external organizational communication.

The issues that will be discussing here form the basis of the information system currently used by Transnet, which has graciously allowed us to make use of their system as an actual case study.

SOME BASIC THEMES

In our talk there are some basic themes that recur. We should like to highlight these at the start:

1. In organizational communication we are dealing with **perceptions**:

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[*] *As this chapter formed part of a workshop it is given in colloquial form.*

[**] *In collaboration with Jan Havenga, General Manager: Corporate Communication, Transnet.*

- The perception that the outside world has of the organization.
- The perception that the staff has of the organization.
- The perception that management has of the staff.
- The perception that management has of the outside world's perceptions of the organization.
- The perception that trade unions have of the perceptions of staff and management.

In many cases reality is a side issue and all that matters is perceptions.

2. People (staff and public) should be seen holistically. Their environment has a strong influence on their view of the organization (and life).

3. An integrated research system has significant advantages over isolated ad hoc projects.

4. Long-term changes comprise many short-term changes. To identify the effect of individual events, one needs continuous tracking and timeous measurements.

PROBLEM DETECTION STUDIES (PDS)

In this workshop we shall be concentrating on the Information System that has been developed for Transnet, and be stressing the importance of continuous systematic measurements.

Problem Detection Studies do not easily fall within such a systematic approach, and have not been used by Transnet in its system. However, I believe that a Problem Detection Study is one of the most powerful research techniques. Therefore it warrants some discussion in this workshop.

Two Approaches:

There are basically two types of approaches to research: Benefit-orientated and Problem-oriented.

Benefit-oriented research is based on asking people what they want from an organization, product, etc.. Problem-oriented research is based on asking people what problems they experience with the organization, product, etc. The basis of the Problem-orientation is that "Problem" is the consumer word for "unsatisfied need". One can only have a problem if one has a need and if this need is not being satisfied.

Eastern Airline Example

(This case study from the 1970s is still quoted in Kotler)

The "Business Problem" was that an airline has to run at 80 % capacity in order to be profitable and Eastern Airlines was running at 70 % capacity.

Benefit Research (asking people what they wanted) resulted in the following feedback on benefits claimed in the advertising:

- Friendly air hostesses
- Planes on time
- Good food

All these benefits are claimed by all airlines in their advertising - and most people believe all airlines can meet these requirements.

When asked what problems they had, the answers were as follows:

- The high cost of First Class air travel
- Leg space
- Long waits to obtain luggage

(These are real unsatisfied needs, not just a feedback on the advertising).

Strategic Action

Benefit research would have (and did) led to the claim that what Eastern Airlines did, was being done better than what the competitors did.

Problem Detection Studies lead to specific actions:

1. Eastern Airlines as a member of IATA could not change the price of First Class fares.
2. They addressed the problem of "leg space". Operating at 76 % capacity, airline staff removed 20 % of the seats: "We give you three feet for your two legs".
3. When these actions led to all the seats being occupied, the airline claimed to deliver luggage in 15 minutes (knowing this was done in 10 minutes).
4. Then they were the first airline to introduce a Business Class - "More space at reduced First Class rates".

THE RAILWAY STRIKES

In 1988 the black hostels went on strike, ostentatiously on account of poor food. The hostels demanded their own cooking facilities. At the last moment Impact Information was called in to determine the facts. Management showed us the hygienic cooking facilities at the hostel, and the tartan athletic tracks (used by local schools). Management also showed us their minutes of the meetings with the unions regarding the quality of the food.

Management believed that all the activities were ANC inspired, unreasonable, and that if a problem existed, then it was that the parking area was not shaded. Research showed that the problem was in fact the **variety** of pap, not the quality of pap (i.e. clear miscommunication). Furthermore, shaded parking only affected 10 % of the residents (those that were on the committee).

Quite simply:

1. Management "misunderstood" the message regarding food and was solving the wrong problem; and

2. the negotiators represented **their need** (shaded parking) and not that of their constituency.

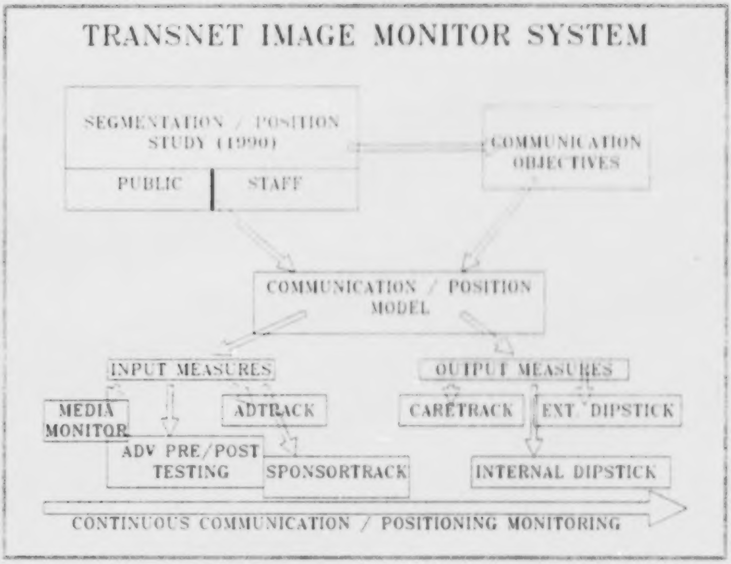
ORGANIZATIONAL COMMUNICATION

A major problem with organizational communication is that there are many groups who believe they understand what other people want; and they often feel that their power base is being attacked, when aspersions are cast on their ability to represent their constituency.

- In several situations we have been asked to research staff problems and/or perceptions, only to find the project foiled by the trade unions. The attitude of trade unions often is: "We represent the labour force. If you want to know what they think, then ask us."
  Unfortunately,
  1. the trade unions cannot always be in touch with all parts of the labour force;
  2. their demands tend to be politically clouded;
  3. not all the labour force's demands are just for better salaries; and
  4. **most importantly, the trade unions' arguments would be better served with statistics rather than emotive arguments.**
- In many studies we have found that management's perceptions of their staff's problems are inaccurate. They tend to be clouded by their own aspirations and dominated by the problems they themselves experience.
- Sometimes we find management being wary of undertaking a Problem Detection study among their staff - believing that the staff will use the opportunity to criticize the bosses. We do not find these studies becoming personal.
- Sometimes the main problems that emerge are problems that the staff has often voiced - but that management did not "hear". This is mainly because they do not personally experience the problem, and thus they do not see it as a real problem.

We repeat what we said earlier: **communication is about perceptions - and the perceptions management has of other's perceptions.**

FIGURE 8.1


TRANSNET IMAGE MONITOR SYSTEM
SEGMENTATION / POSITION STUDY (1990)
PUBLIC
STAFF
COMMUNICATION OBJECTIVES
COMMUNICATION / POSITION MODEL
INPUT MEASURES
OUTPUT MEASURES
MEDIA MONITOR
ADTRACK
ADV PRE/POST TESTING
SPONSORTRACK
CARETRACK
EXT DIPSTICK
INTERNAL DIPSTICK
CONTINUOUS COMMUNICATION / POSITIONING MONITORING

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The groundwork for the Transnet (see Figure 8.1) system was done in 1990 when a major segmentation study of the staff and the public (for whites and blacks) was made. This was used as the basis for strategy formulation and to state the communication objectives. Once these had been formulated, the execution was monitored continuously, using a variety of tracking measures.

Table 8.1 shows the objectives of each of the studies in the system.

TABLE 8.1

OBJECTIVES OF STUDIES

SEGMENTATION/POSITIONING STUDY
- IDENTIFY ATTITUDINAL SEGMENTS
- IDENTIFY DETERMINANTS OF CORPORATE 'IMAGE'
- IDENTIFY 'POSITION' OF TRANSNET
- SERVE AS BASIS FOR STRATEGY FORMULATION

ADTRACK
- MEASURE RECALL OF COMMERCIALS
- MODEL IMPACT AND DECAY CHARACTERISTICS
- OPTIMISE MEDIA STRATEGY

COMMAP
- PRE AND POST TEST THE COMMUNICATION STYLE OF COMMERCI
- TEST COMMUNICATION AGAINST STRATEGY

SPONSORTRACK
TRACK AWARENESS OF SPONSORSHIPS

MEDIA MONITOR
- MEASURE PUBLICITY RECEIVED
- EVALUATE EFFECT AGAINST MODEL AND OBJECTIVES

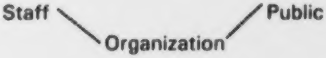
EXTERNAL DIPSTICK (BI-MONTHLY)
- MEASURES IMAGE USING DERIVED MODEL
- I.E. LINKED BACK TO OBJECTIVES

INTERNAL DIPSTICK (TWICE A YEAR)
MEASURES ATTITUDE SHIFTS AMONG STAFF

CARETRACK (8 TIMES A YEAR)
- MEASURES GENERAL "FEELING" SHIFTS
- PROVIDE COMPARISONS WITH 30 ORGANISATIONS.

SEGMENTATION STUDY AND HOLISM

Most organizations are mainly interested in the perception that others have of them (staff and public).



Management will acknowledge that there are environmental factors that impact on people and influence their perceptions of the organization. However, usually they do not measure these, believing that they cannot influence them. This could be a mistake. These environmental factors can often "explain" a number of things.

In the case of Transnet, it was accepted that there were many external factors which could be important:

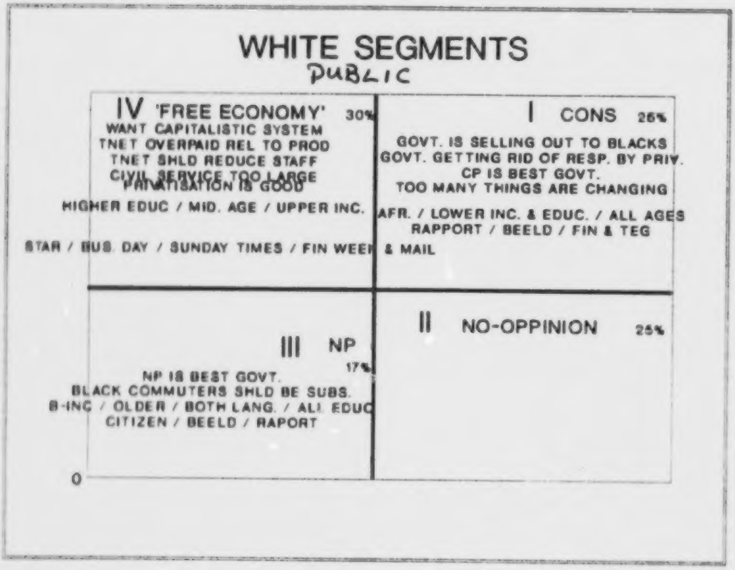
- Transnet was in the process of privatization, and its staff was being told how this was done in order to allow them to work like people in the private sector.
- The country was changing rapidly, and many of the old traditional values were changing.
- The economy was detereorating.

The General Public Study was divided into four segments, as shown in Figure 8.2.

The diagonal line is a "political orientation" with the very conservative element in the top right of the graph.

The top left group is not so much a political grouping, but much more an economic grouping. The bottom left group tends to be one which traditionally follows the NP.
The difference between the top left and top right groups can be summarized as follows:

FIGURE 8.2


WHITE SEGMENTS
PUBLIC
IV 'FREE ECONOMY' 30%
WANT CAPITALISTIC SYSTEM
TNET OVERPAID REL TO PROD
TNET SHLD REDUCE STAFF
CIVIL SERVICE TOO LARGE
PRIVATISATION IS GOOD
HIGHER EDUC / MID. AGE / UPPER INC.
STAR / BUS. DAY / SUNDAY TIMES / FIN WEEK & MAIL
I CONS 26%
GOVT. IS SELLING OUT TO BLACKS
GOVT. GETTING RID OF RESP. BY PRIV.
CP IS BEST GOVT.
TOO MANY THINGS ARE CHANGING
AFR. / LOWER INC. & EDUC. / ALL AGES
RAPPORT / BEELD / FIN & TEG
III NP 17%
NP IS BEST GOVT.
BLACK COMMUTERS SHLD BE SUBS.
B-INC / OLDER / BOTH LANG. / ALL EDUC
CITIZEN / BEELD / RAPORT
II NO-OPPINION 25%
0

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Top Right: Retain Apartheid irrespective of economic considerations.
Top Left: Improve the economy, irrespective of race considerations.

Obviously Transnet's objective was to obtain a better perception among the people in the top left quadrant. This was unfortunately where their image was worst.

Figure 8.3 shows the results of some segmentation analysis (and some questions) applied to the staff of the Transnet organizations.

Whilst this shows five segments, the basic underlying structure as the public study was found. However, there is a much greater preponderance of conservative elements. What is notable is how the conservative elements are threatened by the sociopolitical changes, and also how they fear the changes at work (and even distrust top management). In addition, what also resulted from the research was that people, irrespective of whether they were conservative or not, liked to work for a dynamic company.

The strategic implications of this are obvious:

1. Do not talk about privatization and the changes that one associates with this; but

2. talk about being dynamic.

THE TRACKING SYSTEM

The tracking system that was then developed to measure the effects of the execution of the campaign (and other environmental effects) was based on two reasonably unique principles;

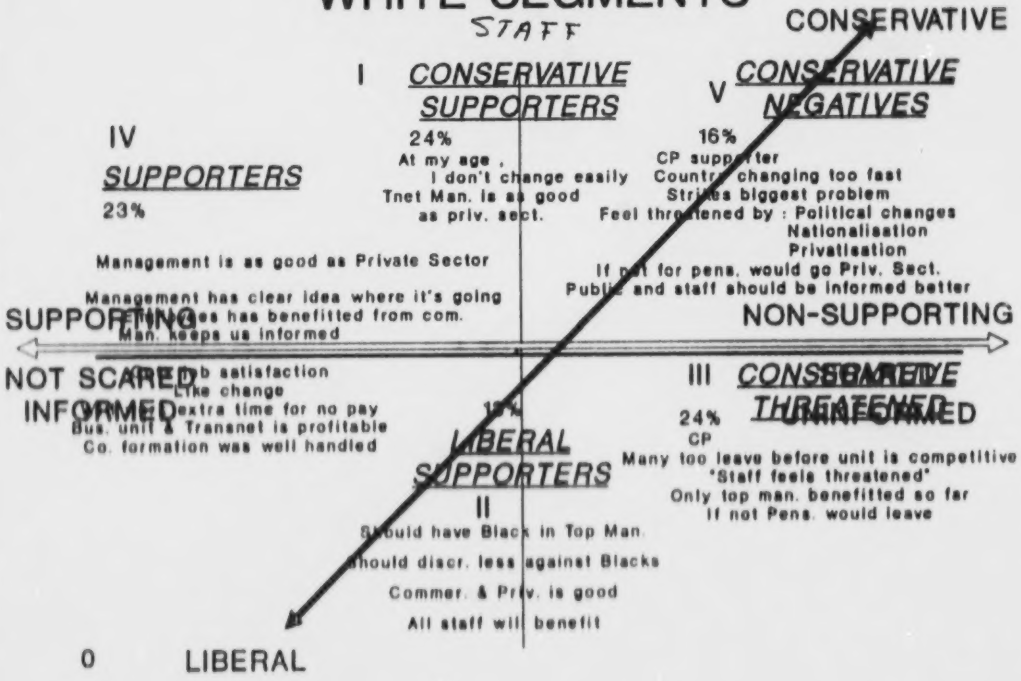
- Continuous tracking; and
- a strategy-related model.

Continuous tracking

It is a simple principle that if one wants to measure the effects of something, then a pre- and postmeasure should be taken.

WHITE SEGMENTS

STAFF



CONSERVATIVE
I CONSERVATIVE SUPPORTERS
24%
At my age, I don't change easily
Tnet Man. is as good as priv. sect.
V CONSERVATIVE NEGATIVES
16%
CP supporter
Country changing too fast
Strikes biggest problem
Feel threatened by : Political changes
Nationalisation
Privatisation
If not for pens. would go Priv. Sect.
Public and staff should be informed better
IV SUPPORTERS
23%
Management is as good as Private Sector
Management has clear idea where it's going
...es has benefitted from com.
Man. keeps us informed
SUPPORTING
NON-SUPPORTING
NOT SCARED
INFORMED
...b satisfaction
Like change
...extra time for no pay
Bus. unit & Transnet is profitable
Co. formation was well handled
III CONSERVATIVE THREATENED
SCARED
UNINFORMED
24%
CP
Many too leave before unit is competitive
'Staff feels threatened'
Only top man. benefitted so far
If not Pens. would leave
18%
LIBERAL SUPPORTERS
II
Should have Black in Top Man.
Should discr. less against Blacks
Commer. & Priv. is good
All staff will benefit
0
LIBERAL

FIGURE 8.3

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The awareness of advertising generally decreases at a rate of 80 % per week. The awareness of some sponsorships often disappears within a week or two.

Most organizations undertake annual image studies, but the logic behind annual studies can be queried. One will probably find that it all starts with the fact that an annual audit is done, which leads to annual budgets and thereafter annual marketing strategy documents, and as a result, normal research surveys. Logically the timing of such studies should be determined by the rate of change in the phenomenon one is trying to measure. Thus it could be that such studies need only be undertaken once every few years, or even as frequently as once a month (subject to budget considerations).

An organization such as Transnet is very much in the public eye and is continuously busy with many activities which impact on its image. It is also subject to negative publicity, which could occur at any time.

It would be impossible to unscramble the effects of their activities and uncontrolled publicity if annual studies were undertaken. One would be able to state that "our image improved/decreased as a result of all the activities during the year". It would not be possible to evaluate the effect of individual activities. In order to evaluate them it is necessary to take measurements before the activity and as soon as possible thereafter.

If one has control over the activities, it is easy to schedule the research. However, there are activities (such as negative publicity) that can occur at any stage. As a result it is preferable to take frequent (continuous) measures. Obviously one then has to consider the cost of such a system and design it as cost-effectively as possible.

A strategy-related model

To be able to take continuous measurements cost-effectively it was decided to

1. use telephone interviewing,

2. restrict sampling to Witwatersrand,

3. standardize questionnaire between waves,

4. limit reporting,

5. attempt to syndicate costs.

(The last three objectives have not been completely achieved yet).

However the telephone method restricts the length of the questionnaire.

It makes eminent sense that if the preceding map was used to state strategy objectives, then the base data for the map is what one should track. This meant that a total of 30 attributes to be associated with 12 organizations were used in the measurement.

To remind the reader, the strategy is based on the existence of four dimensions underlying corporate perceptions for these types of organizations:

1. **Bureaucracy**: The extent to which Transnet are seen as being Government departments, subsidized, and bureaucratic.

   This is a dimension with regard to which Transnet and all its divisions want to change their perceptions.

2. **Dynamism**: A dimension with regard to which all the organizations want to increase their perceptions.

3. **Consumer-oriented**: A dimension with regard to which those organizations dealing with the public want to increase their perception.

4. **Being a Holding Company**: A dimension by means of which Transnet itself would like to distinguish itself from the rest of the organizations.

Based on Correspondence Analysis underlying the Perceptual Maps, the model is based on loadings (or weights) for the different attributes of these four dimensions.

The model itself comprises the following visual presentations showing the four dimensions, and the respective readings for each of the measurement periods. We started to call these presentations "kites" or "envelopes" - mainly on account of their appearance.

Figure 8.4 illustrates such an "envelope" for Transnet.

THE FOURTH DIMENSION

We should mention here that when the map was drawn, it regarded the fourth dimension as "damaging to the environment".

However, this is not a critical dimension for Transnet as it is not perceived as being "damaging to the environment".

Transnet's strategic objective is rather to be regarded as a holding company. For this reason the fourth dimension was "forced" to fit in with their strategic objectives.

(The data relating to environmental issues is gathered continuously.)

Recently SASOL has become interested in the model and is considering a subscription. For their purposes the fourth dimension will be defined as "environmentally damaging".

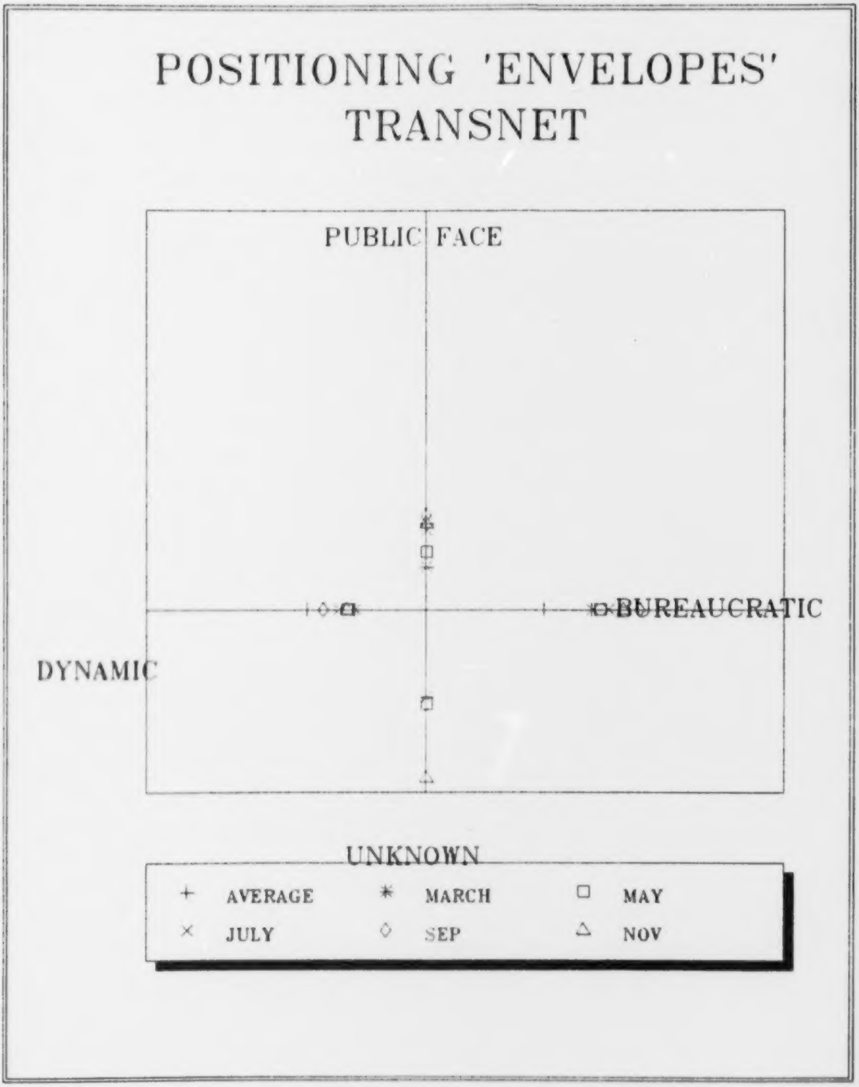
Thus one can see how the model can be adapted to suit the strategy.

What happened

A very interesting phenomenon occurs in the case of the "kite" for Transnet.

It shows that when Transnet advertised, the mainly majority increased their perception as being Consumer-oriented (known?) and as Bureaucratic - with a smaller increase for their perception as being Dynamic. This was an ad that was specifically intended (and tested) to create perceptions of being Dynamic and Unbureaucratic.

FIGURE 8.4


POSITIONING 'ENVELOPES'
TRANSNET
PUBLIC FACE
BUREAUCRATIC
DYNAMIC
UNKNOWN
+ AVERAGE
✳ MARCH
□ MAY
× JULY
◇ SEP
△ NOV

What we believe is that Transnet is still largely unknown. The advertising increased awareness of the organization, and therefore the first "step" in the advertising process was to increase the dimension Consumer-oriented/known.

The second step in this advertising process was that as people become more aware of the Transnet advertisements, they (monthly) tried to figure out who Transnet is, and said: "Oh! Transnet is the old SATS", and this resulted in an increased perception of Transnet as being bureaucratic.

The third step in the advertising process was that people asked (in their minds), what that said about Transnet. As the actual message of the ad penetrated, they increased their perception of Transnet as being Dynamic.

This three step effect on the advertising does conform with several theories about the effects of advertising. It also makes sense if one considers that the largest shift occurred in the dimension of Consumer-oriented/known, the second largest in the Bureaucratic and the third largest in the Dynamic dimension.

These results make the following clear:

1. The advertising has not yet been sufficiently powerful (or applied with enough force) to achieve its objective of changing perceptions of dynamism.
2. That if it is discontinued now, it will probably have done damage mostly - i.e. only achieving Step two with most people, without moving them to Step three.
3. That it has not achieved the objective of positioning Transnet as a holding company and differentiating it from Spoornet.
4. We believe it is fairly important that an explanatory ad be made to achieve the differentiation objective of Transnet.

Advertising Measures

Up to now we have shown how the information was based on a large-scale segmentation study to develop strategy objectives, and also how the strategy has been executed - as well as how other influences are being monitored.

There are two further parts to the system which are specifically there to measure the advertising:

1. **Commaps** - which measure the communication of ads (message and communication style), and are used as pre- and posttests of advertising;

2. **Adtrack** - which measures the penetration (via recall) of the ad, and makes recommendations regarding the level of advertising required.

Both these techniques are well known in the industry and therefore we will not discuss the technique in this paper.

Commaps

In this paper we just show the results obtained in the pre- and post-tests for the two commercials made to date.

The value of these tests were:

1. The pretests provided management with confidence to proceed with the executions.
2. There were some concerns regarding the "Salmon" ad based on the pretest results, but there was not enough time to stop production. However, substantial changes were made to what was being proposed.
3. Thus, posttests were serving as confirmation that what was envisaged in the pretest, was in fact what was produced.

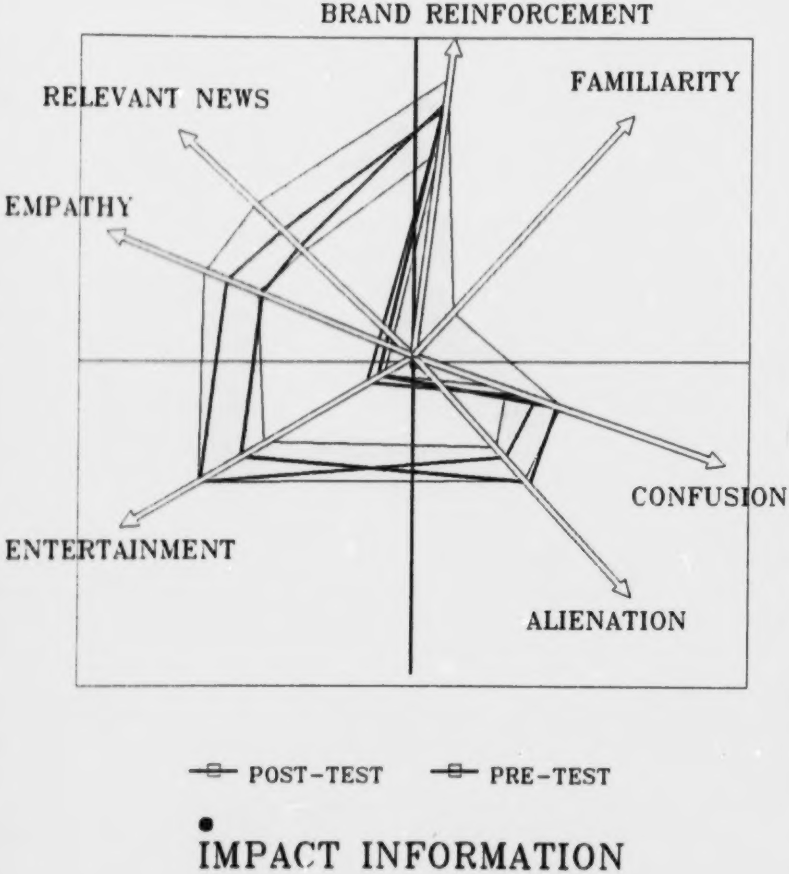
Adtrack

Again we will not go into the Adtrack method but just show the main charts. Adtrack results showed that a fair penetration was being achieved, and that the liking scores of the ad were good. Figure 8.5 illustrates the Communication Style Map for Transnet.

The media scheduled now incorporate considerations of the results.

FIGURE 8.5

COMMUNICATION STYLE MAP
TRANSNET "SALMON" POST-TEST



CARETRACK

We have seen how important it is to assess one's image regularly if one wants to be in a position to evaluate the effect of individual activities. We also showed how we reduced the large number of measures in the segmentation study to 30 statements suitable for a telephone survey and a model reflecting the corporate strategy.

Caretrack is an attempt to take this matter even further:

The objective is to devise one measure that can be used for even more organizations more frequently:

The obvious problem is: **what single question will measure "image" in its entirety.**

Marketing is all about caring for the customer and the potential customer. If one asks the average consumer to rate the marketing of an organization, he finds this difficult to do. If however, one ask him to rate whether the organization cares about the public or not then the task is much easier.

Generally, when one asks this "caring" question, the response from people is largely based on how they "feel" about the organization - which is really the "image" of the organization.

Thus Caretrack measures the image of some 40 organizations every month, using this "care" question.

To analyze the results, two indices are formed:

1. **Relative care:** This index looks at the weekly rating, compared with the average for that week; then it is indexed against the average rating for the organization over the period of tracking.

2. **Relative ad share:** This index represents the organization's ad share on TV for the month, indexed against its average ad share over the period.

Thus, one can see from these indices, for a particular month, whether the organization had a relatively high ad share and/or whether it also had a relatively high "care" measure (image).

Two graphs are reproduced for each organization:

1. **Time chart:** This simply shows the fluctuation in these two indices over a period of time.

   This allows one to see

   1.1 whether there was a steady and consistent image improvement/decrease over the year;
   1.2 whether there was an image improvement at the time of a particular activity;
   1.3 whether there was an image deterioration in a period of negative publicity.
   1.4 Even if one is not advertising, how long can you wait before you experience a deterioration of your corporate image.

2. **A scatter diagram** with Ad pressure on the horizontal axis and Care on the vertical axis.

   To this is fitted a Regression line which assists in evaluating the advertising leverage on image.

INTERNAL TRACKING

The information system will obviously not be complete if the tracking ignored the staff of Transnet. Again the principles of low-cost continuous tracking are applied. In this case a self-completion questionnaire was distributed, and a resultant sample of 4000 was obtained.

The intention was for this to be done every six months.

Transnet has a multitude of jobs, but they can all be classified in eight grades. The highest level (top management) is classified as Grade 1 and the labourers are classified as Grade 8. Management levels are Grades 1 to 3.

The map we drew for Transnet shows quite clearly that there is a great difference in the case of Grade 3.

The intention is to monitor the situation over time in order to evaluate the extent to which this difference can be narrowed.

DISCUSSION

Question

I get the impression that advertisements are measured against the company's image, whether the company cares about it or not. How does one always measure an advertising service? One sees certain advertisements like SASOL's over a certain period; I may think it a beautiful advertisement but I do not use SASOL. How do you measure an advertisement's effectiveness in this case?

Answer

I said at the outset that there are real perceptions and people think it is simple to remove a perception and a reality. Bear in mind that there is only one reality, namely my perception of it. What I think of your organization is my reality. I cannot move beyond it, no matter what the truth is. In other words, my perception is all you should worry about. If you look at your internal staff members, do they trust the management and believe that it is leading them on the right path? Whether the management is confused or perplexed is not the issue. What matters is their perceptions. Many people may say that our service is improving and there is a gap between the reality of our service and people's perceptions of it, but this does not matter. It is completely irrelevant. Everything depends on what that perception is. Now, that perception will be created by the reality of your service, and if you service improves, then you hope that perceptions of it will improve too. But if this does not happen, you should help to make these perceptions improve.

Question

I think you mentioned the example that in Telkom you are not necessarily able to render services in the way you would wish to do. But on the other side of the coin, there are vast numbers of people who already have telephones, who already share in the service, but who actually have very little contact with Telkom, apart from the account they receive monthly. These people's ideas and feelings about and perceptions of Telkom are only perceptions and nothing more, because they already have the service. So in the end it is only your advertising that has altered their perceptions.

Question

Many of the findings of the study you did, which I find most exciting, are very relevant. Unfortunately, at the stage when we began to wake up about our own commercialization activities and the new direction we were taking, we did not do the kind of research that could have helped us discern this shift in perceptions. Is it possible to access information retroactively? I have telephones to take into Soweto, and so forth, but my poor technician cannot get there to install the telephone because people steal his bakkie, set him on fire and chop down the telephone poles. I would like to provide the service but I cannot. There are other activities that do have an effect on what we want to do. We really would like to render the service and be on good terms with our consumers, but criminality is now rampant and this adversely affects the company.

Answer

I used Telkom to provide some examples. As it now stands, the present research system is exorbitantly expensive. It is an expense as it stands, especially that up-front study we did. I think we can learn a great deal from that. You do not have to do extensive studies like that one; it was done a long time ago and has been updated since then. You can have a communication system - and every company has communication systems. Few companies have an information system as sophisticated as that. One thing that very few people mention is the implementation system. This system is even more important than the communication system. The implementation system really made progress when Dr Moolman bought it and it is now the number one priority. You do not have to spend millions of rands to obtain a system like this - a problem detection study is one of the cheaper alternatives.

The internal surveys that we do are based on a simple self-completion questionnaire. We process the data and it costs the company very little. We deal with 4 000 responses in such a survey and the last one cost about R30 000, but you do not need 4 000 respondents. You merely want to cover a great many departments and divisions. When I began doing this type of work for the management, I found that the management had made a mistake by making decisions based on the managers' perceptions of other people's perceptions. That was the biggest error. In the study for SATS, the biggest problem was telling the people at SATS that everyone out there did not hate them or think they stank. Because people at SATS knew that people called them "spoories" they actually felt more negative than the perceptions of them really were.

People at Telkom will feel sensitive because of receiving so many letters from people complaining that they do not have telephones. But those people are not the public as a whole; they are only a few isolated individuals who do not have telephones. Nevertheless your management will react to these complaints and will make decisions based on a few views out of proportion of those of the rest of the subscribers. You have to place some facts on the table. ESKOM has made several decisions based on its management's fear of its staff. I think that what Peter Franks said about this kind of fear is true; managers are supposed to be in charge therefore they think they know what the staff should do; they cannot ask their subordinates for their opinions because that would degrade them in their subordinates' eyes. Managers should be the ones to tell subordinates what to do. Moreover managers have perceptions of what their subordinates think of them and of the top management. Yet the more you deal with these perceptions of other people's perceptions, the closer you move toward reconciliation. Every time I have been involved in research among black labourers, I have found that at the end they told me: "Thank you for listening". They were grateful for the fact that someone cared.

Question

What about bringing in an outsider?

Answer

You asked about bringing in an outsider to arbitrate. I spoke to Terry Longschmidt after he had completed a similar exercise for Volkswagen. He said: "You know, if the management had taken the time to talk to the workers, there would not have been a problem. If they had kept open minds and listened and heard, this would not have happened, but they could not." This is where my value lies. These people found me a channel for communication. You may say they could have done it themselves, but they could not because both sides had too much at stake - and both were dealing from perceptions of perceptions. So I agree with you - there are no package solutions.

When people were being killed during the strikes, I do not have to tell you that our research did not solve the problem. It did too little too late. But at the second hostel I went to, the leader of the hostel phoned me when the second strike started, asking me to go to the management and tell them that there would be problems the next day. He said there was no way he could get permission to talk to the management but his people trusted me to get the message across. He did not want people to be killed and he knew this might happen unless the management was told. Somebody just had to tell them. That is the one thing I would like you all to take away with you - I have talked a lot about advertising because advertising is a way of communicating with the general public, but your staff is part of the general public. And the same principles apply. Get into the habit of doing continuous research and do not postpone it because a strike is in progress or because you have not yet announced an increase or for whatever other reason. The more facts you can place on the table, the better the benefits for everyone concerned, not just for individuals.

Question

Does one have to use all these techniques consecutively?

Answer

You have to act responsibly.

I think you may find it very helpful to compare the two major surveys. You can have one big study every year, and lose much of the details that Erik has been telling you about. Also, because things happen in between such annual surveys, you may end up where you began. It may seem that nothing has changed, but dramatic changes may have occurred in the past few months. You can either have a big study every year, or one every two or three years, or a dip-stick study every two or three months. We do not react drastically to the data but if you look at some of them, they definitely indicate the changes that have been happening in the environment and you could change your strategy accordingly.

9

FROM COMMUNICATION INFORMATION TO COMMUNICATION STRATEGY[*]

KOBUS CONRADIE

COMMUNICATIONS MANAGER, ABSA BANK LTD

What I would like to do this afternoon, is to try and take you through the process that we follow annually in ABSA, to arrive at what we call the **"strategic communication plan"**. It is an annual thinking process, thinktank, "bosberaad", or whatever you want to call it, and it serves to structure our thinking and our planning for that year. So if I refer to ABSA too often for your liking, it is not intended as a commercial. This is the only world that I really know: banking, and communication in the banking environment. So please bear with me.

Let's quickly look at the content I would like to cover.

INTRODUCTION

I want to look briefly at the communication process, the organization as a system and the overall strategic plan and process. I also want to discuss the structuring of the department involved with communication - here I wish to refer to the strategic communication plan as a whole. Finally, a few points that will reflect on the question of commitment to communication in a company.

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[*] As this chapter formed part of a workshop it is given in colloquial form.

No exercise aiming to arrive at a strategic communication plan can have any other point of departure but the process itself. So it is important that we look at the communication process itself.

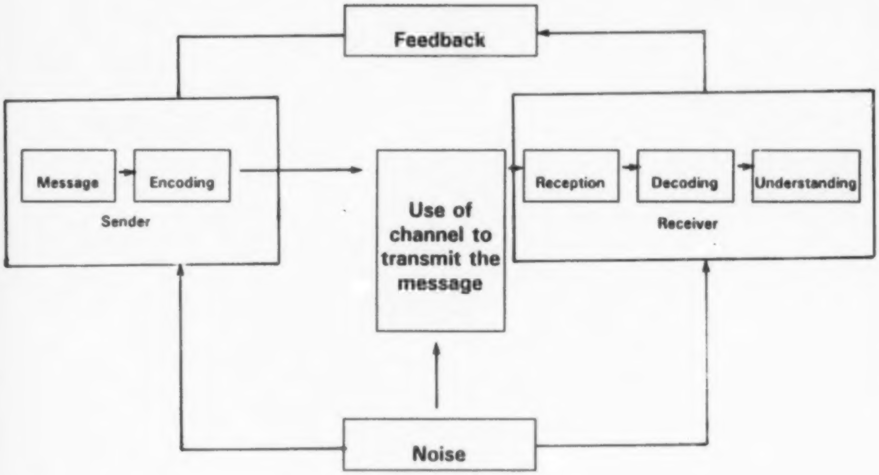
THE COMMUNICATION PROCESS

It is necessary to understand the communication process (see diagram 9.1) because communicators very often suffer in their job, either because their superiors do not fully understand this process, or the communicators themselves are not fully aware of its implications. When you have to plan your next year ahead, it may help to think how you managed the process as a whole during the previous year. Considerable time and money is spent deciding what it is that we want to say - in other words what is the message we want to convey to our audiences on behalf of the company or organizations? A lot of time and effort is put into the encoding process. In other words, formulating the message you want to convey or use in a particular communication medium, whether that medium is a public medium or the company's own media, such as your house journal, your own video programme, your newsletter, or bulletin. Most of the efforts of communication departments are focussed on the company's media and this is normally what management or top management sees.

The perception exists that this is where communication ends. But the real challenge is to manage the complete process. In other words, you have to ask yourself: "To what extent did we take feedback into account. Did we do any formal research on this aspect of communication, and to what extent did we get personal feedback from the receivers? What about surveys? There must be a evaluation phase in communication at all times, otherwise you will not know whether you have reached your objectives or not. Our aim is to evaluate the effectiveness and not the costs, by way of this model. What normally comes out is that we failed in some area, insufficient feedback was gained, not enough money was invested for research, or the post communication efforts were lacking.

DIAGRAM 9.1*

THE COMMUNICATION PROCESS


Feedback
Message
Encoding
Sender
Use of channel to transmit the message
Reception
Decoding
Understanding
Receiver
Noise

*(Adapted from Cutlip, Center and Broom 1985: 262)

The other common problem is in the area of noise. This refers to any aspect that can prevent effective communication. It resides in the sharing experience between the sender and the receiver. It may prove to be an age problem, a cultural difference, race (particularly in the South African context), language and vocabulary, peer pressure, or information overload. Very often there is such a lot of communication directed at the specific target that we lose effect. We then rather reduce that to a more manageable level. Someone said earlier that we are engaged in a battle for the mind of the consumer and the client. That is true in many respects. As communicators we often contribute to the overload the consumers and clients suffer from.

The message I want to convey is that the process is really the basis of what is eventually created in communication. We have to understand that. Our superiors have to understand that. The people we use to execute the communication programmes must understand it, and any outside agent must know the entire process and be able to manage that entire process. Very often smaller organizations rely on outside suppliers, and it is important that they use them for the whole process, not only for the transmitting of the message.

This also entails giving proper care to the logistics of the exercise. For instance, a house journal; it is all very well to put it on the table and say: "Yes, we have done a wonderful job here," but are we certain that people receive the message effectively?

The aspect that I wish to address next is what we call a company systems diagram.

THE ORGANIZATION AS A SYSTEM

In order to properly support corporate strategy and objectives, it is necessary that the communication department as well as all the outside suppliers have a very thorough understanding of an organization as a system, as this is a prerequisite for proper and comprehensive communication planning: How it is put together, how it is structured, and what is the nature of its interactions?

Let us just concern ourselves with these three aspects, drawn from a theory called "the systems approach". According to this approach any organization is viewed as a system consisting of constituent parts that interact with each other. The system as a whole again interacts with its external environment.

We can draw a systems diagram of (see diagram 9.2) a company and break that up into an internal environment, a market environment and a macro environment.

The benefit of this approach is that it gives a very good understanding of the structure of the organization, and anybody you would like to employ to assist you with communication will be able to take it in at a glance.

This is an actual company, called Graphicor, and their business is publication: corporate publications such as annual reports for companies and corporate newsletters.

Diagram 9.2 reflects the various departments in the organization and the arrows indicate the interactions. Now if you take this diagram and talk it over with the communication staff or the supplier they will have a very good idea of the organization's function, its major departments and sections, and how they interact with each other.

This may seem very simple to us because we are all the communication business. But I for example have no idea how the Botanical Institute of Kirstenbosch is structured and how they operate.

Looking at an organization in this way helps you to understand what it is the organization is doing. Secondly, if you look at the market environment of this company in particular, you will find that it consists of customers, suppliers, competitors and the providers of capital. There are of course a number of others that can be present in the market environment of any organization.

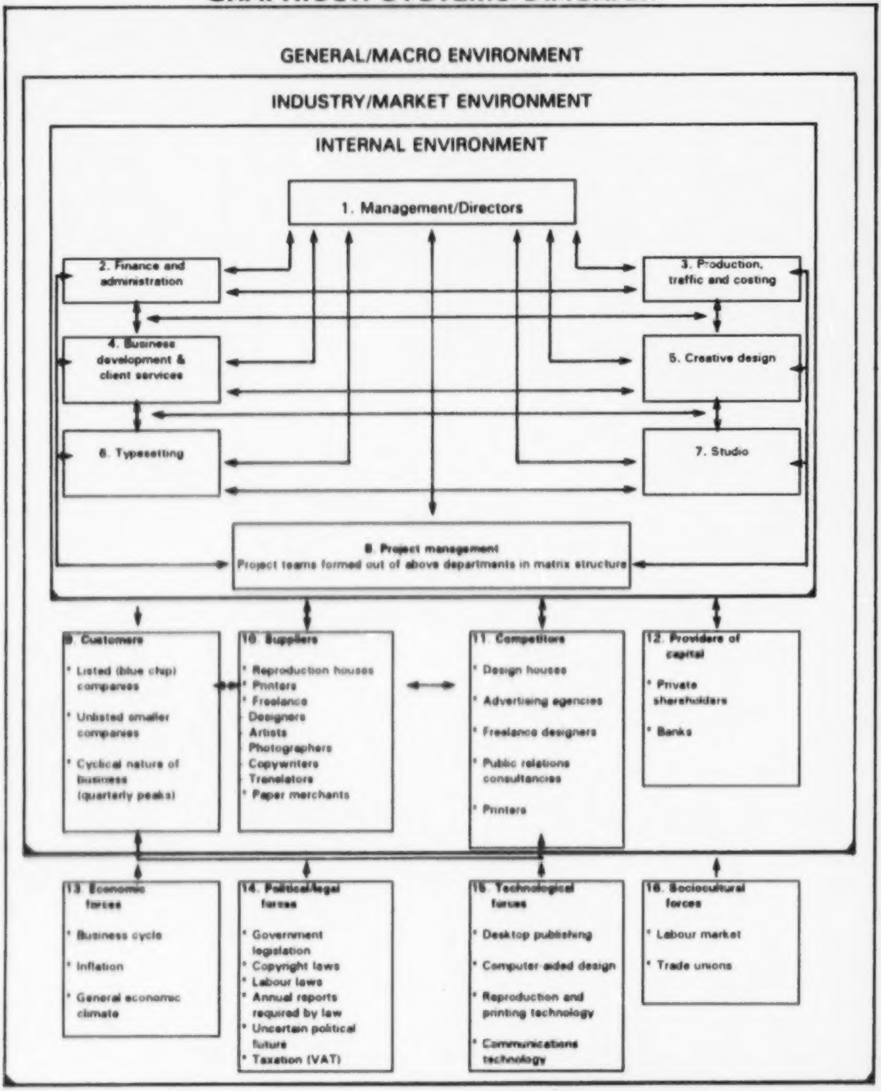
Analysing a company like this gives you an idea of what sort of interactions take place.

The typical suppliers used in the publication process is indicated. The company competes with other design houses, advertisement agencies, freelance designers, private consultancies and even printers who also do corporate design jobs.

This macro environment is the broader external environment in which an organization functions. It is important to look at least once a year at how you are going to be affected by economic forces, political forces, technological forces. Think for instance of the effect that publishing and computer aid and design has had on a company such as this. Their

DIAGRAM 9.2

GRAPHICOR SYSTEMS DIAGRAM


GENERAL/MACRO ENVIRONMENT
INDUSTRY/MARKET ENVIRONMENT
INTERNAL ENVIRONMENT
1. Management/Directors
2. Finance and administration
3. Production, traffic and costing
4. Business development & client services
5. Creative design
6. Typesetting
7. Studio
8. Project management
Project teams formed out of above departments in matrix structure
9. Customers
* Listed (blue chip) companies
* Unlisted smaller companies
* Cyclical nature of business (quarterly peaks)
10. Suppliers
* Reproduction houses
* Printers
* Freelance
- Designers
- Artists
- Photographers
- Copywriters
- Translators
* Paper merchants
11. Competitors
* Design houses
* Advertising agencies
* Freelance designers
* Public relations consultancies
* Printers
12. Providers of capital
* Private shareholders
* Banks
13. Economic forces
* Business cycle
* Inflation
* General economic climate
14. Political/legal forces
* Government legislation
* Copyright laws
* Labour laws
* Annual reports required by law
* Uncertain political future
* Taxation (VAT)
15. Technological forces
* Desktop publishing
* Computer-aided design
* Reproduction and printing technology
* Communications technology
16. Sociocultural forces
* Labour market
* Trade unions

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production methods have changed. When I first made use of them eight years ago, they had a big studio with people cutting and pasting. Now they have a few screens or monitors that they work on. There have been dramatic changes in the printing technology, and in communications technology as a whole.

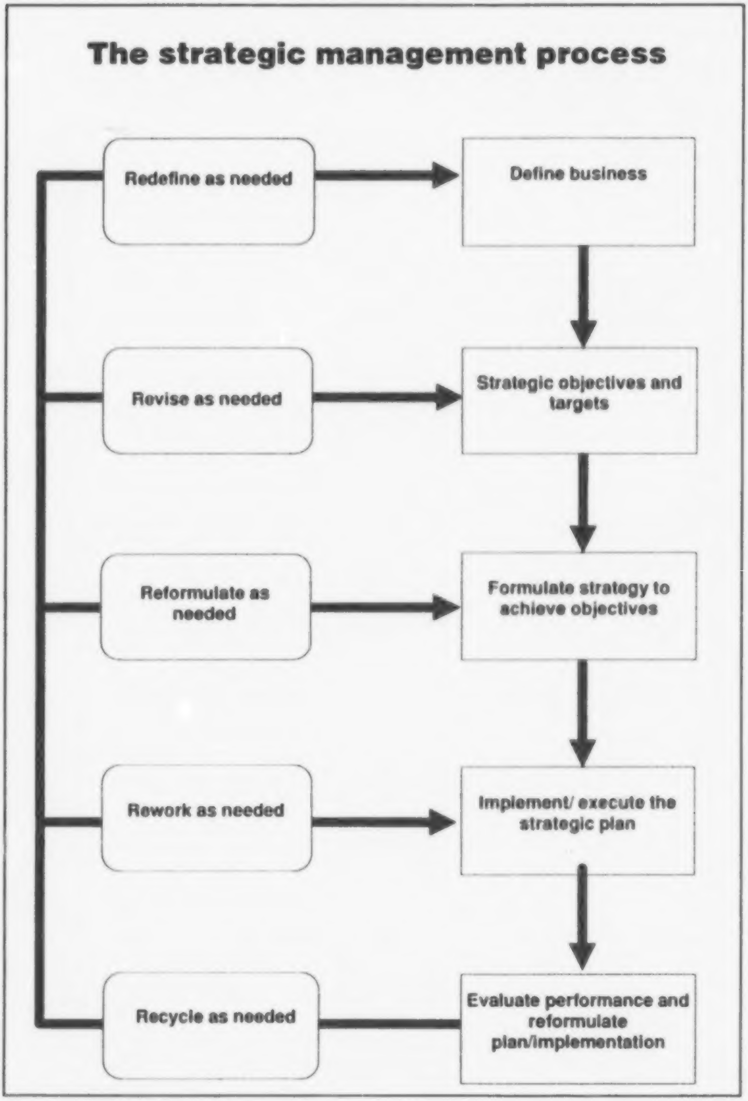
This may appear to be a very formal and academic approach, but going through an exercise like this helps you to see the complete picture and not to miss out on the smaller details you usually ignore. When you use outside suppliers it is a good exercise to go through similar briefings and make sure they understand what is going on in your company.

CORPORATE STRATEGIC PLANNING

To arrive at a strategic plan we need to integrate the communication process with the corporate strategic planning process. So the communication model must become active within the corporate strategy. In order to do that, it is necessary that we as communicators understand the corporate strategic planning process (see diagram 9.3) and what it entails.

The right hand column in diagram 9.3 represents the strategic management process in an organization. This is of course an oversimplification of the actual process. It does not reflect the dynamics of the process. It begins on a certain day and ends on a certain day. It is a continuous process and that is what the arrows try to indicate here. You can't say that on 2 January I will start to define our business and by about 30 April we will be ready to execute our strategic plan. In those four months you need to do business and carry on with your activities. But what is important here is that any communicator or communication department understands what is going on in the mind of top management and that they are involved - they are not to be ignorant of the processes that are going on in the organization. Two-way understanding is required. **Top management** have to understand the role that communication can play in assisting them to achieve corporate goals and objectives. **Communications staff**, on the other hand, should understand the various steps and levels in the corporate strategic management process to understand their own role in providing a supportive communication strategy.

DIAGRAM 9.3*


The strategic management process
Redefine as needed
Define business
Revise as needed
Strategic objectives and targets
Reformulate as needed
Formulate strategy to achieve objectives
Rework as needed
Implement/ execute the strategic plan
Recycle as needed
Evaluate performance and reformulate plan/implementation

*(Source: Thompson and Strickland 1987: 13)

Let us briefly look at some of the processes. If you look at the first step, which involves **defining the business**. That is the **mission statement**. I think most of us have had enough of missions, but it is important that it serves as your point of departure. In our case, Volkskas had a totally different mission than ABSA bank. Volkskas was a specialist bank and was constricted to only one segment of the South African population, whereas ABSA is much more broadly positioned. Mission statements tell us who we are, what we do, which consumer groups we serve, what technologies we use and where we are heading.

An interesting thing here (it is a message perhaps that we as communicators must convey to management) is that if any organization's mission statement takes more that sixteen seconds to read or to recite, it is a waste of time because people can't remember it. You will very often find long corporate mission statements on posters, blocked and put up on walls, but if you ask anybody working there what this place's mission is, they can't tell you because it is too long, too complicated.

In ABSA's case the mission reads something like this: "ABSA bank will be the leading South African financial institution in terms of profit, size and quality service". Even that I have difficulty in remembering. For any mission to be effective the work force must be able to remember it. Be that as it may, the mission statement serves as the point of departure.

From the mission **strategic objectives** are determined. What sort of market position do we decide on and desire?

In the case of ABSA we strive to be the biggest and most progressive institution. There is some work to be done here, because in many respects Standard Bank is considered as the leading contender in the technological field. For instance, what sort of return on equity or return on assets is it that we want to achieve as a company, the desired financial results, the amount of profit we want, and other yard sticks? Do we want a certain profit per employee, or sales turn-over per outlet? If the communication department is unaware of these objectives it makes it very difficult to operate efficiently.

The **strategy formulation** is usually contained in a corporate strategic plan for the year. The strategy consists of a blueprint of the entrepreneurial, competitive and functional areas where action is to be taken in order to reach the company's objectives. In many organizations the corporate communication department has no access to the company's strategies plan and the PR department doesn't know the objectives that the company wants to achieve. This is counter productive. It effectively kills any communication effort.

The strategy to be followed can be on a corporate, business, functional or operational level. Diversification in terms of levels is usually only found in the case of big organizations such as South African Breweries. The SAB being a conglomerate, they will have a strategic or a corporate strategy. Underneath the corporate communication strategy you will have the beer division for instance, and they will have a supporting business strategy. Then the marketing, or the operating or the production division of that beer division in turn has a supporting strategy. Finally, on the operational level you will have certain supporting strategies. This creates a cascading effect.

The process of strategy formulation is followed by the **implementation phase**. And that is the phase where things actually happen. This is the more visible part of the company's activities. Unless, on the communication side, you have insight into the underlying plans supporting this, it is difficult to see how these things fall together. The most important aspects to be considered are: how is the organization structured, how does the budgeting process work, how is commitment to corporate objectives attained in the organization, what sort of organizational reward structure is in place, how does the previously mentioned aspects assist corporate objectives, the organizational culture, policies and procedures, and your management information system?

The style of internal leadership present is very important to the successful implementation of the communication strategy. Very often the communication department has an important role in enhancing the culture in the organization. And it becomes clear how to go about it if you know what the thinking behind the corporate strategy is.

The final phase is **evaluation and adjustment**. Once again, this is a dynamic process. It is continuous, but an understanding of the process is required. So if you want to make use an external supplier understands the process, take him through it. Show him how this organization wants to achieve its objectives, and only then can any work on a strategic communication plan begin.

Diagram 9.4 illustrates a cascade of strategies. As I have said, you have the corporate strategy, and a business level strategy (as in the case of the South African Breweries). At ABSA you have the holding company and then a division such as Trust Bank, or Allied Bank, United Bank. The divisions can have different business level strategies. For instance, for Volkskas, you follow a totally different approach in the market than for Allied Bank as they are targeted at very different market groups.

That brings us to the last topic I want to deal with, and that is the actual planning process that we go through.

DEVELOPING A STRATEGIC COMMUNICATIONS PLAN

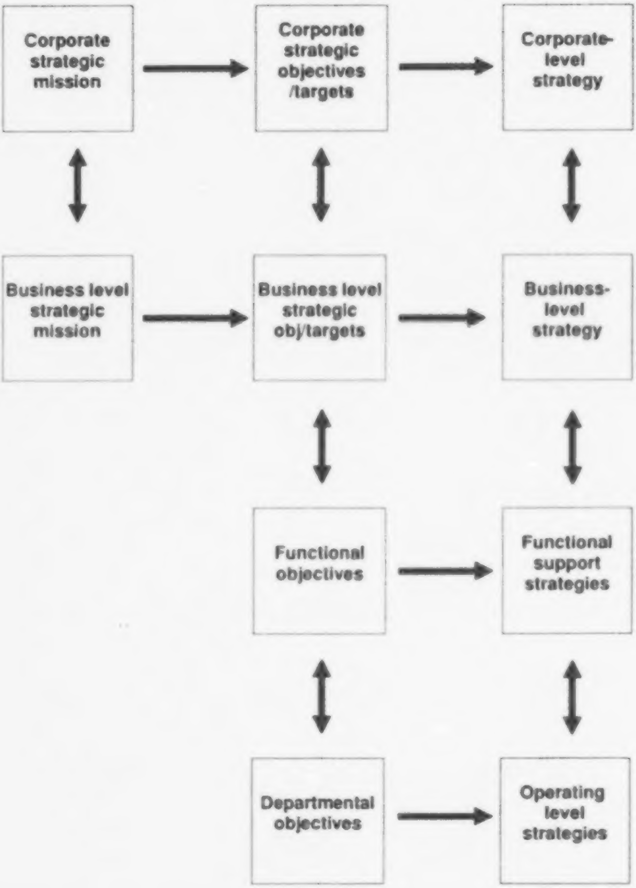
Everything I said previously serves as background. Where do we fit in, what is the corporate strategic thinking in our organization, how is our organization structured as a system, and how does it interact with the external environment. On top of it all, what is the communication model? The actual way in which we communicate is tied up with all these things.

Our corporate strategic plan for the year usually consists of **six sections**. They are all very short, except for one, which is the detailed programming. There are a few basic assumptions which I will discuss in detail.

We look at the **implications** of our corporate strategy. We formulate a **basic message** that we have to try and convey consistently through our media. That is followed by **target public analysis** and how that **interfaces with the corporate business plan** for the year and then in the end you arrive at your **budget** and your **programme of activities**. The total of that gives you a strategic communication plan. I will discuss each aspect of the strategy. There is no second chance. What we have to do is to give the right

DIAGRAM 9.4*

Hierarchy of objectives and strategies


Corporate strategic mission
Corporate strategic objectives /targets
Corporate-level strategy
Business level strategic mission
Business level strategic obj/targets
Business-level strategy
Functional objectives
Functional support strategies
Departmental objectives
Operating level strategies

*(Source: Thompson and Strickland 1987: 35)

message to the right public. You have to get it right the first time round. It is really a total quality theme that needs to be echoed.

Communication always plays a supportive role. It is never an end in itself. What we do, as communicators, is to facilitate the operations of the company; the mind functions of the company. One should see the communication department in perspective. Our communication plan is based on the business and marketing plan, so we derive it directly from that. If, for instance, Volkskas Bank decided it wanted to scale down its exposure in the agricultural market, then obviously it doesn't make sense to carry on with new sponsorship and donations in that sector.

Like any other function, communication must be properly managed. It must be measured and prioritized. And this is a guideline that we are trying to follow in evaluating activities. First of all, is it **legally required**? Do we have to do it? It is a good exercise to follow if you have limited funds available for a number of activities. An example is the corporate annual report. We are a listed company, we have to do it. Then we look at the **risk**. If we do not do it, what is the risk? Is it an unacceptable risk? The next question is: "To what extent does our **company's future** depend on this activity? How badly is it going to affect us if we do not do it? And to what extent does any exercise that we do create other value?"

These are subjective decisions to a large degree, except for the first one. But it gives direction to the thought processes at such a planning meeting.

We need to consider the **implications** of our corporate strategy. I have talked about the fact that ABSA Bank sees itself as the leading financial institution in terms of profit, size and quality service.

Quality service is fine from a communication point of view. "Let's go for profit". This is a bad one. It will be negatively perceived in the market, by all our bank users. They are very sensitive to the cost that they pay for service. This has certain implications for your communication. Internally, yes, the profit message can be communicated very strongly.

Let us look at the company's strategic objectives in terms of size. What sort of strategy do we follow? Currently in ABSA you can say that the strategy is to grow not by organic means, but primarily by means of acquisitions. That has certain implications for our communication plans for the year. It is important to take note of what market segments we want to focus on. For example, at this moment, agriculture is a very difficult market segment. The corporate market, huge corporations accounts, university accounts, city councils, that is an important growth area, and the communications actions have to support that. What sort of market share do we want? Student affairs? Two or three years ago Volkskas Bank alone had 80 % of all student loans. So our exposure was getting too big in the student market. That happened because of the communication actions on campuses. Communication to this segment was scaled down dramatically. We did not want to increase that exposure.

It is important to be very critical and realistic about your department's **abilities** during this exercise. If for instance you don't have enough people and money, you simply can't do certain things. An important thing here, is to formulate a communication message. ABSA at the moment wishes to be perceived as a dynamic market leader, managed by a top team of bankers, that offers a comprehensive range of services. Accessibility comes over very strongly in the marketing campaigns, for example Allied Bank "The people you can talk to", United Bank "Big helping hand" and Volkskas Bank "You can rely on to give you service excellence".

Target public analysis should be linked to your business plan, as well as to the general external audiences. Who is it that you want to talk to and what is it that you want to tell them? Then use your corporate strategy as a basis.

Finally this is followed by setting up a **budget**. And that is really hard work. For example, in the Allied Bank's communication programme this year an important target group is the high-network individual, especially those with a lot of money. So we have to decide what is needed to draw the attention of those people to the Allied Bank. Maybe we can offer a particular sort of sponsorship to them - a corporate diary, individual executive diary, or support for professional organizations, such as the De Beers company. You try an estimate the amount of money that is involved and submit your plans as part of your total budget. This communication plan should include what and when you want to do it, what it will cost, how you will do it and what sort of medium are you going to use.

This really, is the gist of it. I can not go into greater detail here as it entails a lot of details, but that is how we arrive at the programme we ask approval for every year. It gives you an idea of the whole process.

WORKABLE COMMUNICATION

From everything I have said, it is clear that if **top management** does not appreciate communication, does not understand it, and does not involve the communication department in its thinking and its planning and support them through a proper budget and sufficient personnel, really, the effort is wasted.

Next, the **communications division** must understand and be involved in the corporate planning process. I still cannot understand why communication, in 90 % of the cases, is done as an afterthought. When, for instance, Bankcorp was recently taken over, the communication department was involved two hours **before** it was announced. And that is not something that we were very excited about.

One needs a **consistent basic message** regarding the organization. It should be conveyed through the various media and channels utilized by the company. It is no use spending a lot of money on promotions, on sponsorships, while this effort is countered by individuals and top managers giving a different perception of the company to the one conveyed through the sponsorship, or the press report. There need to be a monitoring function. What is being said about the company? Who says what, when? To make sure it is in line with the general strategic direction, an organization must be willing to spend money on internal communication through **suitable internal media** and the proper use of external media. An organization must be willing to spend money on internal communication. That includes the research side of it. Proper distribution, mailing a house journal to individuals' home addresses, make sure they get it.

Maybe the most important one is **open and honest communication**. Now that, very often stays a dream. But, how many times have we seen that truth finally catches up with you? It is better to speak out right at the beginning, as it is, state the truth, than later to defend an untruth. It just never works. That is maybe the most difficult message to get across to top management.

CONCLUSION

Communication is the component crucial to converting strategy into action. Any organization that realizes this and earnestly strives to incorporate communication fully into its strategic and business planning and control, will in the long run:

- reap the benefits of the funds invested in communication, and
- enjoy the benefits that true communication can make to ultimate profits.

DISCUSSION

Question

It is important that the suppliers, or the people involved in your organization from the outside, must be involved in the strategic plan.

Your comments?

Answer

That is especially true on the quality side. In organizations following a quality improvement programme, the programme very often fails, because they did not involve their supplier sufficiently in this process. For example smaller banks, such as United and Allied Bank, used to make use of small agents in the rural areas. The level of service that you will get in a small town from your local attorney or estate agent will definitely not be on par with the service that you get in a banking branch in town.

Two more aspects need to be mentioned: the communication function as a whole and the process that we use to arrive at our strategic plan. I am not going to say too much about the corporate communications division. To a lesser or a greater degree we are all involved in or responsible for communications - that is a debate in itself. How should this division be structured. Where should we position ourselves, to whom should we report?

At the moment, and this is only short-lived, the communications division of ABSA is structured in this way (see diagram 9.5)

The media relations part of the structure, usually goes with external communications. That however is rendered by an external consultant, and therefore shown separately. Diagram 9.5 shows the sort of activities taking place in the communications department: for instance group publications, internal video and TV, a language service, a section looking at social investment, and corporate identity as a whole. I have no specific ideas on the best place to position a department like this in the organization. It depends on the company itself. In some instances, it has to be linked directly to the MD, especially if you are a holding company with a small communications division. In other organizations it is often better to link it to the marketing department, because the interaction really need to be close. It may produce better results if you can put the communications department and the marketing department close to each other.

Question

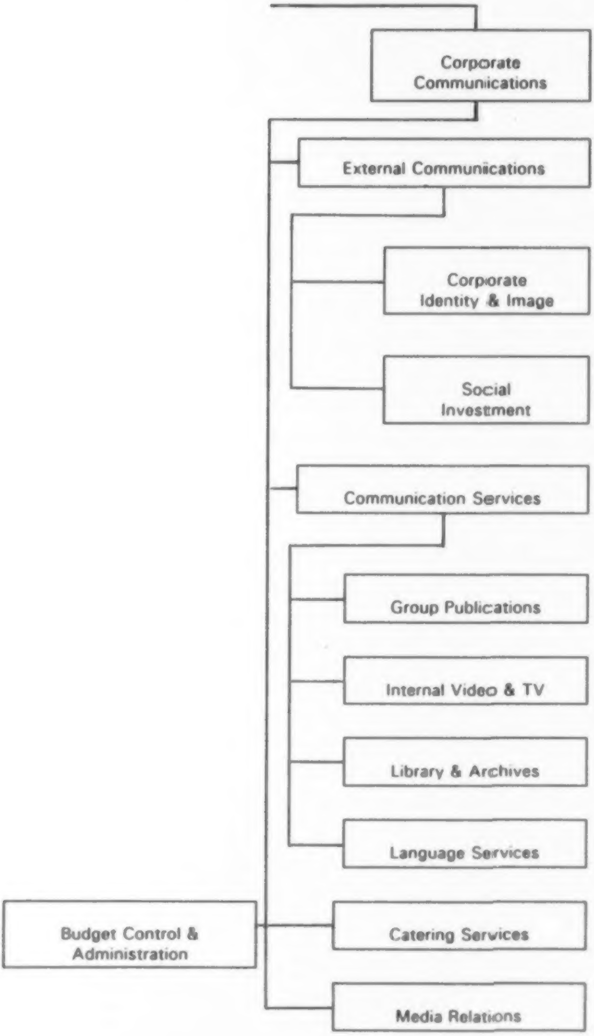
To what extent is the catering department involved with the communication department and where should it be situated in the organization structure?

Answer

Catering is one of those bastard children that no one wants in an organization, because it is a big hassle factor. You have a large number of people working in the kitchen, preparing food, and so on, who do not contribute anything to internal communication, but to the social side. We do receptions, and functions, where you receive your corporate guests and bankers from overseas, and we have executive dining rooms. This function is the responsibility of the communication department's public relations division. And as a result of that the communication department also inherits the catering service as a whole - including catering for staff. Staff catering can be viewed as social responsibility towards your staff and workers. The

DIAGRAM 9.5

STRUCTURE OF ABSA BANK CORPORATE COMMUNICATIONS PRIOR TO BANKORP MERGER


Corporate Communications
External Communications
Corporate Identity & Image
Social Investment
Communication Services
Group Publications
Internal Video & TV
Library & Archives
Language Services
Budget Control & Administration
Catering Services
Media Relations

catering department could have been part of human resources, or it could have been part of operations.

Question

Your postal and electronic mail, where does that actually fit in and how is your information generally distributed? Is it integrated as per central registry, or how does it actually work?

Answer

Incoming mail falls under operations. There are a few options. The one is your mail department that falls under the administration side. The other option is electronic messages via the computer network. In the latter case you can get message countrywide within an hour, provided it is not too long. You, will then work through the computer department. The third option is to go through the medium of video or television where at this stage, some 600 of the 750 branches of the ABSA group (if you include Trust Bank and Bankfin) can be reached via the transmitters of M-Net. The third option is not controlled by the communications division. We use an external supplier for television and we use our own mainframe computer for the network.

Question

After amalgamation are all your publications centralized at ABSA headquarters, or do you still have a publications department for Trust Bank and one for United Bank?

Answer

We centralized as far as we possibly could. If you go back to corporate strategy one of the things included was the corporate culture. We decided not to retain the individual house journals, since this will not contribute towards a single ABSA Bank corporate culture.

We have a small communications division in each of the banks consisting of a PR manager and one or two girls (a secretary and maybe another person) who deals with media requests pertaining to that specific business unit. This communication is normally product or service related. That person also serves as a correspondent for that division - supplying info to the communal journal.

Question

Can you give us an indication of the size of the corporate communication department at ABSA?

Answer

If we include United Bank, Allied Bank and Volkskas Bank, plus the head office function, we are looking at 30 people. That excludes Trust Bank, Bankfin and Senbank. We are at this moment reorganizing. My guess is that it will not grow by more than three or four people. What in actual fact will happen, is that the total number of people who were involved in the communication departments of the various banks will be reduced.

The approach is to keep the internal staff (the fixed cost) as low as possible and rather buy expertise from outside, as and when necessary.

Question

Sometimes people see the communication department as the cure to all problems. They don't accept their own responsibility towards communication.

Your comments?

Answer

That is a message that really has to come right from the top. That each functional manager is ultimately held responsible for effective communication in his area of responsibility. It is something that has to be driven from the top down. Furthermore, what is needed, is to a large degree an educational process.

Management has to talk constantly to divisional or functional managers and give them an insight into the communication process and their part in establishing effective communication. It is also important to talk to people about what it is that you are doing and how you experience your results. Give feedback, don't isolate yourself. You still very often have serious problems, but once you have top management's support and they appreciate the role that you can play, that's 50 % of the battle won - maybe more.

Question

Is there co-operation between the communication and personnel department and how are they co-operate?

Answer

In our case, let us talk about personnel first and their internal communication side. Diagram 9.5 is applicable here. One section is communication services, which actually comprises communication services and internal communication. It serves as an extension of the Manpower Department. They approach us for assistance in their communication campaigns, for instance, this past month we had to communicate a new, revised set of service benefits: new pension fund, new medical aid, new salary structure, new working hours, new leave regulations. That was done through the communications division. We are fortunate that they rely on us for that service. On the marketing side, since we are in the same division, there is a lot of personal interaction. Whenever something on the marketing side has a PR implication, we are involved. It takes the form of mutual planning through meetings and so on, getting together a team of one or two or three people that can deal with the issue.

Question

Why do you work well together? It seems to me the two departments have a good relationship. Are there reasons for this situation?

Answer

If the two departments don't have a good relationship, it is an indication that there is something wrong in the basic approach. I mean, any functional manager has his own results at heart and has to make use of the infrastructure available to him. If he does not need that infrastructure, it means one of two things. Either he has a big budget so he can go his own way and buy the expertise outside, or he has a duplicated support structure in his own division, which is unacceptable in terms of cost efficiency.

Question

Do you reformulate your strategy every year?

Answer

Yes. The plan I have with me was the 1991 plan for Volkskas. It was formulated in the time when we were being taken over into ABSA. Now the ABSA plan differs a lot from that. The whole approach is different because the mission is different. The perception that we want out there is different. We want to come across as an aggressive player in the financial services market. Volkskas Bank was a more subdued one, restricted to the Afrikaans community, farmers, etcetra.

Question

How are your filials responding to an abstract identity like ABSA?

Answer

That specifically is the reason why the brand names are being retained in the market. Because people can associate with United, Allied, Trust Bank, Volkskas Bank. The name ABSA Bank is at present only used in the corporate and the international market. It is very important to note that ABSA is still very small in world context. It is among the top 100 banks in the world, but it is still very small. It actually needs to be bigger to be able to operate effectively in the international environment. Internationally, therefore, we don't use the name Volkskas Bank or Trust Bank any longer, but ABSA. As long as the brand names are sufficiently profitable in themselves, I think they will be retained. But no one knows what will happen in five or ten years' time. We will have a completely different country and it may at that stage be a better business decision to use only one or two brand names, or to use a new one altogether. No one really knows.

Question

I would just like to confirm if it is true that personnel no longer want social information, but information on company goals, missions, etcetra.

Answer

Yes, that is true, but there is another side to it. If you have a house journal that is targeted at your whole population, from the top to the bottom, you have to have that mix. The cashier in Ladybrand, really, is not so much concerned with corporate goals as the manager in the Welkom branch. We try to retain a balance. Hard news never exceeds more than 30 % of the house journal's content. The rest still reflects social activities, branch-specific activities, their local agricultural show as a big event and the fact that they built their little stall there and won a prize. We try and give them exposure. The fact that personnel took part in *Suikerkaskenades* in Middelburg is a big thrill to them.

I think the type of information one communicates has got a lot to do with the level of uncertainty in the organization. When you have a very stable environment, I think hard news becomes relatively less important. But in a turbulent environment, it becomes very important: "What are our goals; where are we going; what is going to change?". Communication choice is also a function of the situation at the time.

Question

The question of house journal and content: have you done any research on, the question of a management information bulletin, as opposed to a house journal?

Answer

We actually had something like that and it has fallen by the wayside with the ABSA merge. I am very sorry about that. We had a quarterly magazine aimed at management only. In the last communication audit that was done in Volkskas Bank it came out that it was very well used but relatively speaking, people did not find enough time to read it properly. They read what they thought could assist them with a particular problem.

We would have loved them to read everything but that is a pie-in-the-sky idea. It was well received, it got us a lot of good mileage, especially where more technical market-oriented communication was involved. It worked well, but it has been made redundant to a degree by television. At present you can arrange a broadcast between 09:00 and 10:00 in the morning to a television set in your manager's office and discuss a specific programme, event or problem. So the management bulletin has to a degree been made redundant by television.

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